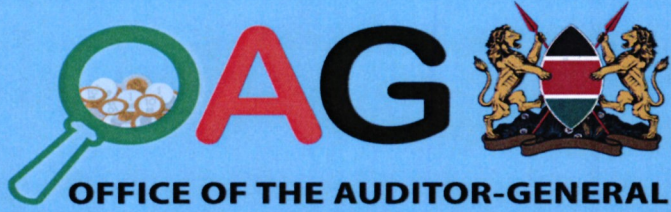


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY	
DATE: 26 JUL 2022	DAY: WED
TABLED BY:	Hon. NAOMI WANGU, MP Deputy majority whip
CLERK-AT THE TABLE:	Finlay Mburu

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – KITUI WEST CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.
09 MAY 2023
RECEIVED



KITUI WEST 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)

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

Table of Contents

	Page
I. Key Constituency Information and Management Background information	iii
II. NG-CDFC Chairman’s Report	vii
III. Statement of Performance Against Predetermined Objectives for FY 2021/22.....	xiv
IV. Environmental and Sustainability Reporting.....	xvii
V. Statement of Management Responsibilities	xxi
VI. Report Of the Independent Auditors On The NGCDF- Kitui West Constituency	xxiii
VII. Statement of Receipts and Payments for the Year Ended 30th June 2022	1
VIII. Statement of Assets and Liabilities As At 30 th June, 2022	2
IX. Statement of Cash Flows for the Year Ended 30th June 2022	3
X. Summary Statement of Appropriation for the Year Ended 30 th June 2022	5
X. Budget Execution by Sectors and Projects for the Year Ended 30 th June 2022	7
XI. Significant Accounting Policies.....	17
XII. Notes to the Financial Statements	23

I. Key Constituency Information and Management 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 2017. It 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, the Fund is represented by the Cabinet Secretary for the Treasury, who is responsible for the general 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 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(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(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 23 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of 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 provision 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 for under Article 201(c) of the Constitution;

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

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(a) Key Management

The Kitui West 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)

(b) Fiduciary Management

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

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

No	Designation	Name
1.	A.I.E holder	Mr. Nicholas N. Kimanzi
2.	Sub-County Accountant	Mr. Patrick M. Mukuthi
3.	Chairman NGCDFC	Mr. Wilfred N. Keli
4.	Member NGCDFC	Mrs. Rhodester M. Muthui

(c) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overa oversight on the activities of Kitui West Constituency NGCDF. The reports and recor of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Cor action. Any matters that require policy guidance are forwarded by the Board to t Secretary and National Assembly Select Committee.

(d) Kitui West Constituency NGCDF Headquarters

P.O. Box 244-90205, Kabati,
NG-CDF Building,
Ndolos Corner, Along Kabati-Tulia Road,
KABATI, KENYA.

(e) Kitui West Constituency NGCDF Contacts

Telephone: (254) 797 753 275
E-mail: cdffituiwest@ngcdf.go.ke
Website: www.go.ke

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

(f) Kitui West Constituency NGCDF Bankers

Equity Bank Ltd,
Kitui Branch,
P.O. Box 75104-00200,
NAIROBI.
Account No: 0720 262 084 328

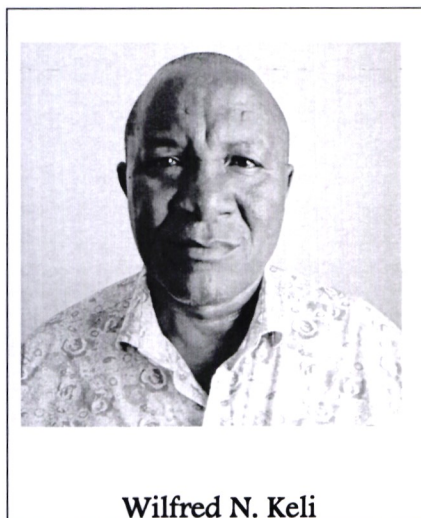
(g) Independent Auditors

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

(h) 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



INTRODUCTION

Kitui West Constituency is one of the constituencies that were created in 2013 and from the old Kitui West Constituency. It comprises of a population of about 118 the 2019 census.

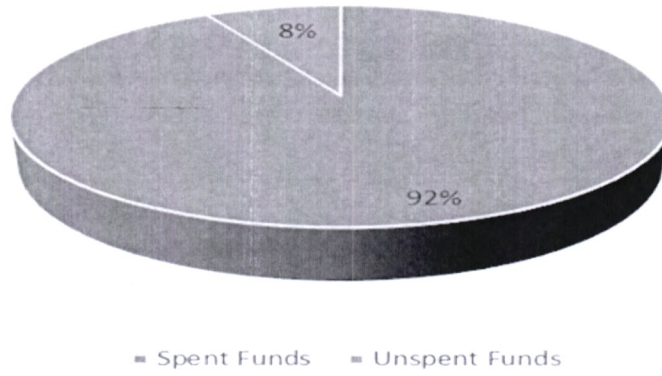
The NG-CDFC has always dedicated time to ensure prudent allocation of resource from the NG-CDF Board within the four wards in the constituency. Since its inc NG-CDFC has completed several development projects that are geared towards inf development, wealth creation and fighting against poverty in the constituency.

During the financial year 2021/2022, the NG-CDFC was able to utilize 92% of i resources. At the closure of the financial year, the constituency had unutilised fund to Kshs. 18,039,341 out of the funds received of Kshs. 226,274,885.

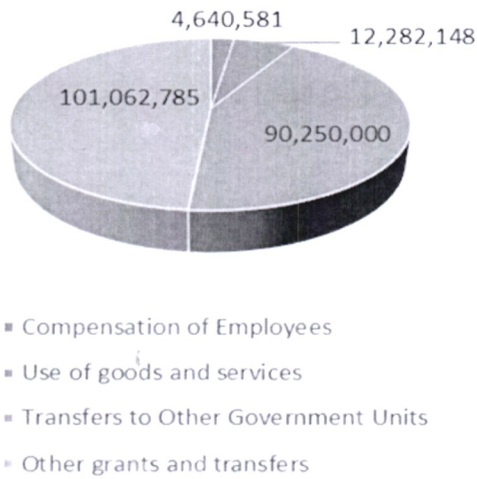
The implementation of funded projects was satisfactory as the NGCDF Board rele funds for the year in good time.

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

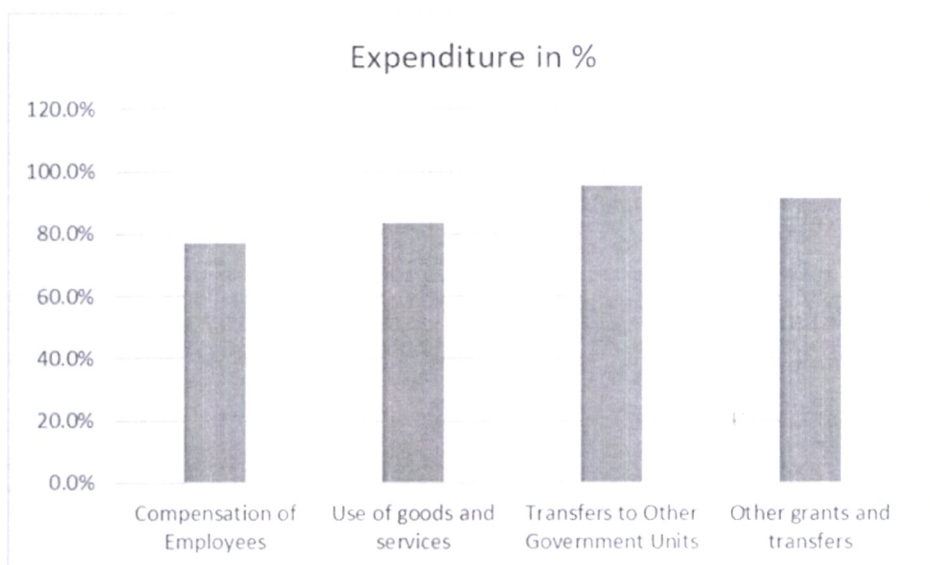
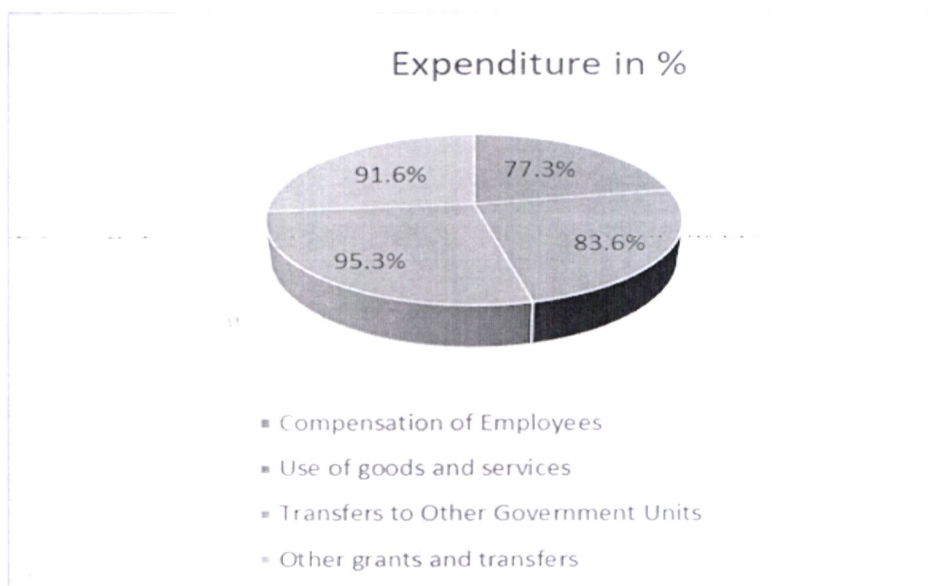
Utilization of Funds %



Expenditure Kshs



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



2021/2022 FINANCIAL YEAR ACHIEVEMENTS

During the financial year 2021/2022, Kitui West NG-CDF constructed fifteen (15) new and renovated twenty (20) schools both primary and secondary, fenced nineteen (19) schools, six (6) dormitories, five (5) laboratories, five (5) administration blocks. Kitui West NGCDF constructed and furnished nineteen (19) chiefs and assistant chiefs offices, fenced chief's/assistant chief's offices, one (1) Police Station.

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

The improved school infrastructure has led to a better learning environment. The Police Stations, Chiefs' and Assistant chiefs' offices have helped beef up security for the constituents and ensure government services are available to them more easily and conveniently.



Figure1: Construction of 3 classrooms at AIC Matinyani primary school.



Figure 2: Construction of Chiefs office at Mutanda.



Figure 3: Mutulu Secondary School Bus.

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



Figure 4: Fencing of Kyaani Girls Secondary School.



Figure 5: Beauty, hairdressing and barbering training.



Figure 6: Kyeni Primary School Administration Block.

EMERGING ISSUES

During the financial year there were no notable emerging issues.

IMPLEMENTATION CHALLENGES

During the course of financial year there was an unexpected hike in cost of materials that affected implementation of fencing and construction projects. As a result, the scope of works of some of the projects was scaled down. Going forward NGCDF Committee has resolved to allocate more funds as a priority to complete projects during the 2022/2023 financial year.

.....

**Name: Wilfred N. Keli
CHAIRMAN NGCDF COMMITTEE**

III. Statement of Performance Against Predetermined Objectives for FY 2021/22

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 *Kitui West Constituency 2018-2022* plan are to:

- a) Provision of quality education through support of school infrastructure and award of bursaries to the needy students
- b) Promote Environmental sustainability through tree planting in schools
- c) Support quality infrastructure development within the constituency
- d) Empower youth, women and people living with disability through Constituency sports tournament, provision of sports Kits and training of boda boda riders in the constituency
- e) Enhance ICT Skills through provision of computers to schools and establishment of constituency innovation hubs
- f) Promote NG-CDF staff welfare through Improved work environment and better remuneration
- g) Provision of security through improved infrastructure

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 	In the FY 21/22 -we increased number of classrooms by 15, dormitories by 6, laboratories by 5 fencing by 19 and Administration blocks by 5. We also renovated 20 schools. - Bursary beneficiaries at

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

			beneficiaries at all levels	all levels per the schedule
Security	Enhancing security, provision of conducive working environment and bringing Government services closer to the constituents.	-Easy access to government services -Morale boost among the personnel -Improved Security in the society.	-Number of completed Police stations, Chief's/ Assistant Chief's offices, fencing and pit latrines.	In the FY 2022, we constructed offices, 1 latrines furnished Chief's/ Chief's c Fenced 4 Chief's/ Chief's c and 1 Po Post. 4 S offices v renovate
Environment	Supporting tree planting activities, construction of sand dams and prevention of Covid-19 infection through hand washing.	Afforestation and Sustained environment free from soil erosion and prevention of flooding downstream. Prevention of Covid-19 infection among the constituents.	-Number of sand dams constructed - Number of litter bins supplied and, - Number of seedlings planted.	In the FY 2022, we constructed sand dam supplied bins, 75 washing dispense schools planted seedling schools.
Sports	Supporting sporting activities through constituency tournament and supply of sports uniforms and balls to the teams.	Youth empowerment, curbing of substance and drug abuse and sensitizing them on good morals. Promoting harmony and peaceful coexistence in the constituency.	-Number of constituency tournaments held - Number of teams supplied with uniforms and balls.	In the FY 2022, we held constituency tournament We supplied teams with uniform balls (V & Footba
Emergency	Promote initiatives on Prevention of disasters and mitigation practices in case of unforeseen events in the	To mitigate emergency events when they occur through the emergency kitty.	-Number of emergency projects undertaken	In the FY 2022, Co 8 pit Fenced primary Repaired Primary

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

	constituency.			Equiped Offices.	3
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IV. Environmental and Sustainability Reporting

Kitui west 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 sectors namely, Education & Training, Security Sector Support, Environment, and Sports. This strategy makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Kitui West NG CDF, the committee funds the following key sectors and the following sustainable priorities.

- a. **Education and Training:** Kitui West NG-CDF focus on human capital for economic development is entrenched in its strategy to support needy and bright students throughout the constituency. The intention is to empower the constituents such that when they graduate 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 people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority. The intention is to provide better working environment for the security providers throughout the constituency as well as a secure constituency. The strategy is to have a collaborative working approach that enhances community engagement and peacekeeping 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 the community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on the 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, Kitui West NGCDF collaborated with a local NGO (We the trees) to plant trees in various schools.
- The NGCDFC also constructed two sand dams to prevent flooding downstream.

3. Employee welfare

We invest in providing the best working environment for our employees. Kitui West 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. Kitui West 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-

Kitui West NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive process that allows equal opportunities to all participants. We support local vendors in the constituency for purposes of uplifting them economically. Our ethical market practices 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 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, honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interest

5. Community Engagements-

Kitui West NGCDF has endeavoured to sustain community engagement through CSR activities, 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 NGCDF committee has deliberated on project proposals from all the wards in the constituency, 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 NGCDF Board in accordance with the Act.

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

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.

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



.....
Name: Nicholas N. Kimanzi

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-Kitui West 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.

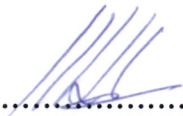
The Accounting Officer in charge of the NGCDF-Kitui West Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting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

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

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

Approval of the financial statements

The NGCDF- Kitui West Constituency financial statements were approved and signed by the Accounting Officer on 5th May, 2023.


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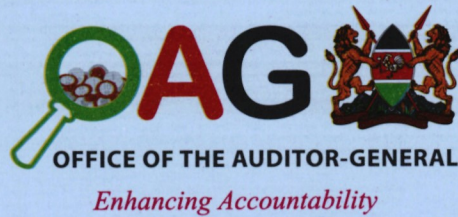
Name: Wilfred N. Keli
Chairman – NGCDF Committee


.....

Name: Nicholas N. Kimanzi
Fund Account Manager

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KITUI WEST 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 Constituency Development Fund - Kitui West Constituency set out on pages 1 to 64, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund- Kitui West 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 Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Accuracy of Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflects bank balance as per cashbook of Kshs.19,229,980. However, the following issues were noted;

- i. The bank reconciliation statement for the month of June revealed payments in the cashbook not yet recorded in the bank statement (unpresented cheques) amounting to Kshs.16,255,608. Audit verifications revealed that cheques worth Kshs.14,902,858 had remained unpresented for over six months. No reason was provided for failure to write back the stale cheques in the cashbook.
- ii. Bank charges amounting to Kshs.33,310 and as disclosed in Note 5 to the financial statements relating to use of goods and services were not included as reconciling items in the bank reconciliations as payments in bank statement not recorded in the cashbook.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.19,229,980 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 - Kitui West 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

Unresolved Prior Year's Audit issues

The audit report for the previous year raised several issues in regard to the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. The Management has not responded to these issues and no reason has been provided for failure to do the same.

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. Unsatisfactory Project Implementation

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other government units amount of Kshs.90,250,000. However, a physical verification of projects revealed some anomalies for projects worth Kshs.5,000,000 implemented by the Fund as indicated below:

Name of Project	Projects Activity	Amount (Kshs.)	Remarks
Kativo police station	Completion of police post comprising of report office, crime office, armory, 3 cells and store flooring and plastering	1,000,000	Proposed fixing of 15 steel doors and 10 steel casement windows not implemented.
Matinyani police station	Construction of police post administration block	4,000,000	Poor quality doors installed

In the circumstances, value for money for the expenditure of Kshs.5,000,000 incurred on the projects may not have been realized.

2. Irregular Procurement Process for Works

The statement of receipts and payments and as disclosed in Note 6 to the financial statements showed total transfers to other Government entities of Kshs.90,250,000. Included in the amount is Kshs.52,050,000 and Kshs.38,200,000 in respect to transfers to primary and secondary schools respectively. Scrutiny of the project files revealed that

there were no professional opinions supporting the successful contracts or bids contrary to Section 84(1) of the Public Procurement and Asset Disposal Act, 2015 (Revised Edition 2022) which states that The head of procurement function of a procuring entity shall, alongside the report to the evaluation committee as secretariat comments, review the tender evaluation report and provide a signed professional opinion to the accounting officer on the procurement or asset disposal proceedings.

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

3. Delay in Project Implementation

Review of the project implementation status report revealed that the Fund had ninety-eight (98) projects allocated Kshs.137,088,879. However, the project implementation status as at 30 September, 2022 indicated the only sixty-nine (69) projects worth Kshs.94,450,879 had been completed and put to use while a total of twenty-nine (29) projects amounting to Kshs.42,637,999 were still on-going and at various completion levels.

In the circumstances, value for money spent on the on-going projects of Kshs.42,637,999 could not be confirmed.

4. Idle Funds in Project Management Committee Accounts

The statement of assets and liabilities as disclosed in Note 17.4 to the financial statements reflects Project Management Committee (PMC) account balances amounting to Kshs.44,059,483. However, analysis of the transactions revealed that there were balances amounting to Kshs.1,217,445 that had remained idle since the financial year 2020/2021 in the various PMC bank accounts contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires that all unutilized funds of the Project Management Committees be returned to the Constituency account.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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


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

report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 July, 2023

Kitui West 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


	Not e	2021 – 2022	2020- 2021(Restated)
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	335,000	7,000
Total Receipts		182,512, 758	161,374,724
Payments			
Compensation Of Employees	4	3,953,381	3,046,169
Use Of Goods and Services	5	12,282,148	8,581,164
Transfers To Other Government Units	6	90,250,000	51,600,000
Other Grants and Transfers	7	101,062,785	53,670,688
Acquisition Of Assets	8	-	533,313
Other Payments	9	-	5,000,000
Total Payments		207,548,341	122,431,334
Surplus/(Deficit)		(25,035,556)	38,943,390

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 5th May, 2023 and signed by:


 Fund Account Manager

Name: Nicholas N. Kimanzi


 National Sub-County
 Accountant

Name: Patrick M. Mukuthi
 ICPAK M/No:


 Chairman NG-CDF
 Committee

Name: Wilfred N. Keli




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

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

	Note	2021-2022	2020-2021(Restated)
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	19,229,980	43,762,097
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		19,229,980	43,762,097
Accounts Receivable		-	-
Outstanding Imprests	11		
Total Financial Assets		19,229,980	43,762,097
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	788,052	284,612
Total Financial Liabilities			
Net Financial Assets		18,441,928	43,477,485
Represented By			
Fund Balance B/Fwd	13	43,477,485	4,534,095
Prior Year Adjustments	14	-	
Surplus/Deficit for The Year		(25,035,556)	38,943,390
Net Financial Position		18,441,929	43,477,485

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 5th May, 2023 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: Nicholas N. Kimanzi	Name: Patrick M. Mukuthi ICPAK M/No:	Name: Wilfred N. Keli

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

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


	Notes	2021- 2022	2020 – 2021 (Restated)
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Other Receipts	3	335,000	7,000
Total Receipts		182,512,758	161,374,724
Payments			
Compensation Of Employees	4	3,953,381	3,046,169
Use Of Goods and Services	5	12,282,148	8,581,164
Transfers To Other Government Units	6	90,250,000	51,600,000
Other Grants and Transfers	7	101,062,785	53,670,688
Other Payments	9	-	5,000,000
Total Payments		207,548,314	121,898,021
Total Receipts Less Total Payments		(25,035,556)	39,476,703
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	503,440	(295,731)
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(24,532,116)	39,180,972
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	-	(533,313)
Net Cash Flows from Investing Activities		-	(533,313)
Net Increase In Cash And Cash Equivalent		(24,532,116)	38,647,659
Cash & Cash Equivalent At Start Of The Year	13	43,762,097	5,114,438

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

Cash & Cash Equivalent At End Of The Year	10	19,229,980	43,762,097
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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 5th May, 2023 and signed by:




Fund Account Manager

Name: Nicholas N. Kimanzi



National Sub-County
Accountant

Name: Patrick M. Mukuthi
ICPAK M/No:



Chairman NG-CDF
Committee

Name: Wilfred N. Keli

**Kitui West 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 30/06/2022	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts								
Transfers From NGCDF Board	137,088,879	43,762,097	45,088,879		225,939,855	225,939,855	-	100%
Proceeds From Sale of Assets	0	0	0		0	-	-	0%
Other Receipts(AIA)	0	335,000	0		335,000	335,000	-	100%
Totals	137,088,879	44,097,097	45,088,879		226,274,855	226,274,855	-	100%
Payments								
Compensation Of Employees	4,435,902	1,564,103	0		6,000,005	3,953,381	2,046,624	67%
Use Of Goods and Services	7,902,097	6,795,899	0		14,697,996	12,282,148	2,415,848	84%
Transfers To Other Government Units	58,462,300	13,900,000	22,350,000		94,712,300	90,250,000	4,462,300	95%
Other Grants and Transfers	66,288,580	21,322,095	22,738,879		110,349,554	101,062,785	9,286,769	92%
Acquisition Of Assets	0	0	0		0	-	-	
Other Payments	0	0	0		0	-	-	
Funds Pending Approval**(AIA)	0	515,000	0		515,000	-	515,000	
Totals	137,088,879	44,097,097	45,088,879		226,274,855	207,548,314	18,726,541	92%

***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.*

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

Explanatory Notes.

- i. During the financial year, the Senior Support Staff resigned and was no replaced thus the underutilization of the salaries vote.
- ii. The underutilization on use of goods and services is as a result of a balance in the capacity building vote.

The Changes between the original and final budget are as a result of the opening balance of Kshs. 44,097,097 and the previous years' outstanding disbursements from the Board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	18,726,541
Less undisbursed funds receivable from the Board as at 30 th June 2022	0
Add Accounts payable	18,726,541
Less Accounts Receivable	503,440
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	19,229,981

The Constituency financial statements were approved on 5th May 2023 and signed by:

 Fund Account Manager	 National Sub-County Accountant	 Chairman NG-CDF Committee
Name: Nicholas N. Kimanzi	Name: Patrick M. Mukuthi ICPAK M/No:	Name: Wilfred N. Keli

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

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization Difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,435,902	1,564,103	-	6,000,005	3,953,381	2,046,624
1.2 Committee allowances	2,000,000	1,281,024	-	3,281,024	3,259,100	21,924
1.3 Use of goods and services	1,789,431	2,416,668	-	4,206,099	3,166,039	1,040,059
Total	8,225,333	5,261,795	-	13,487,127	10,378,520	3,108,607
2.0 Monitoring and evaluation						
2.1 Capacity building	2,000,000	1,986,350	-	3,986,350	2,960,840	1,025,510
2.2 Committee allowances	1,000,000	495,000	-	1,495,000	1,456,500	38,500
2.3 Use of goods and services	1,112,666	616,857	-	1,729,523	1,439,669	289,854
Total	4,112,666	3,098,207	-	7,210,873	5,857,009	1,353,864
3.0 Emergency	7,192,207	1,176,685	2,969,404	11,338,296	6,882,000	4,456,296
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
Total	7,192,207	1,176,685	2,969,404	11,338,296	6,882,000	4,456,296
4.0 Bursary and Social Security						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.1 Primary Schools						
4.2 Secondary Schools	22,666,418	957,940	-	23,624,358	22,568,601	1,055,757
4.3 Tertiary Institutions	14,237,700	12,192,761	879,000	27,309,461	27,309,460	1
4.4 Universities						
4.5 Social Security						
4.6 Special Needs	21,000	-	-	21,000	21,000	
Total	36,925,118	13,150,701	879,000	50,954,819	49,899,061	1,055,758
5.0 Sports						
5.1	2,741,778	2,747,354	2,745,238	8,234,370	5,492,592	2,741,778
Total	2,741,778	2,747,354	2,745,238	8,234,370	5,492,592	2,741,778
6.0 Environment						
6.1 Ithekeke/ Mbiliki River Sand Dam	1,121,889			1,121,889	1,121,889	-
6.2 Mwainya/Kakuswi River Sand Dam	1,121,889			1,121,889	1,121,889	-
6.3 Tree Planting	498,000			498,000	498,000	-
6.4 Litter bins & Hand Washing dispensers	-	1,747,354		1,747,354	1,747,354	-
6.5 Supply of Water Tanks			1,650,000	1,650,000	-	1,650,000
6.6 Ndiang'u Kauma - Kwa Water S. Dam			1,095,238	1,095,238	-	1,095,238
Total	2,741,778	1,747,354	2,745,238	7,234,370	4,489,132	2,745,238
7.0 Primary Schools Projects (List all the Projects)						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
AIC Kiuwani Primary School	1,000,000			1,000,000	1,000,000	-
Emivia Primary School	1,000,000			1,000,000	1,000,000	-
Kaanzoni Primary School	1,000,000			1,000,000	1,000,000	-
Kalimani Primary School	1,000,000			1,000,000	1,000,000	-
Kangungi Primary School	1,000,000			1,000,000	1,000,000	-
Kathiani Primary School	1,000,000			1,000,000	1,000,000	-
Kilimu Primary School	700,000			700,000	700,000	-
Kitamwiki Primary school	1,000,000			1,000,000	1,000,000	-
Kithumula Primary School	800,000			800,000	800,000	-
Kitunduini Primary School	700,000			700,000	700,000	-
Kiukuni Primary School	1,000,000			1,000,000	1,000,000	-
Kwa Kitisa Primary School	1,400,000			1,400,000	1,400,000	-
Kwa Ndila Primary School	800,000			800,000	800,000	-
Kyambevo Primary School	800,000			800,000	800,000	-
Kyeng'e Primary School	800,000			800,000	800,000	-
Kyeni Primary School (Kauwi)	800,000		1,000,000	1,800,000	1,800,000	-
Matinga Primary School	1,000,000			1,000,000	1,000,000	-
Matinyani D.E.B Primary School	1,500,000			1,500,000	1,500,000	-
Mutanda Primary School	1,000,000			1,000,000	1,000,000	-
Mwatate Primary School	1,000,000			1,000,000	1,000,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Ndalani Primary School	1,000,000			1,000,000	1,000,000	-
Ngesu Primary School	1,300,000			1,300,000	1,300,000	-
Ngong'u Primary School	1,200,000			1,200,000	1,200,000	-
Nyuani Primary School	600,000			600,000	600,000	-
Nzemeli Primary School	1,000,000			1,000,000	1,000,000	-
St. Marks Makutano Primary School	700,000			700,000	700,000	-
St. Marys Kavole Primary School	1,000,000			1,000,000	1,000,000	-
Syokithumbi Primary School	700,000			700,000	700,000	-
AIC Kivani Primary School	-	700,000		700,000	700,000	-
Kasakini Primary School	-	1,000,000		1,000,000	1,000,000	-
Iiani Primary School	-	1,000,000		1,000,000	1,000,000	-
Kakumi Primary School	-	1,500,000		1,500,000	1,500,000	-
AIC Matinyani Primary School	-	3,000,000		3,000,000	3,000,000	-
Kwa Nyingi Primary School	-	700,000		700,000	700,000	-
Kakeani Primary	-	-	800,000	800,000	800,000	-
Mutini Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Tulia Special	-	-	1,500,000	1,500,000	1,500,000	-
Kivulu Primary School	-	-	700,000	700,000	700,000	-
Yalatani Primary School	-	-	800,000	800,000	800,000	-
Mumbuni Primary School	-	-	1,100,000	1,100,000	1,100,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kyamutimba Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kyambiwa Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kwa Mutonga Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kwa Musyimi Primary School	-	-	1,300,000	1,300,000	1,300,000	-
Ivulya Muu Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kathuma Primary School	-	-	500,000	500,000	500,000	-
Katutu Primary School	-	-	800,000	800,000	800,000	-
Kauma Primary School	-	-	600,000	600,000	600,000	-
Kavoo Primary School	-	-	500,000	500,000	500,000	-
Kwa Silu Primary School	-	-	500,000	500,000	500,000	-
Maselele Primary School	-	-	800,000	800,000	800,000	-
Syomuitu Primary School	-	-	650,000	650,000	650,000	-
Tulia Primary School	-	-	800,000	800,000	800,000	-
Total	26,800,000	7,900,000	17,350,000	52,050,000	52,050,000	-
8.0 Secondary Schools Projects (List all the Projects)						
AIC Kyondoni Girls Secondary School	1,500,000.00			1,500,000	1,500,000	-
Kakeani Secondary School	1,000,000.00			1,000,000	1,000,000	-
Kalimani Secondary School	1,500,000.00			1,500,000	1,500,000	-
Kalinditi Secondary School	1,000,000.00			1,000,000	1,000,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kangii Secondary School	1,000,000			1,000,000	1,000,000	-
Kasue Secondary School	500,000			500,000	500,000	-
Katheka Secondary School	2,000,000			2,000,000	2,000,000	-
Katutu Girls Secondary School	1,000,000	1,500,000		2,500,000	2,500,000	-
Kauma Secondary School	500,000			500,000	500,000	-
Kiamani Secondary School	800,000			800,000	800,000	-
Kitunduni Secondary School	700,000			700,000	700,000	-
Kivani Secondary School	700,000			700,000	700,000	-
Kyaani Girls Secondary School	1,000,000			1,000,000	1,000,000	-
Mikuyu Mikya Secondary School	1,200,000			1,200,000	1,200,000	-
Mithiikwani Secondary School	1,000,000			1,000,000	1,000,000	-
Muthale Mixed Secondary School	1,000,000			1,000,000	1,000,000	-
Muthamo Secondary School	500,000			500,000	500,000	-
Mutuluo Secondary School	7,300,000			7,300,000	7,300,000	-
St. Dorcas Maselele Mixed Secondary School	1,000,000			1,000,000	1,000,000.00	-
St. Michael Kavumbu Secondary School	1,200,000			1,200,000	1,200,000	-
St. Patricks Kalindilo Secondary School	1,000,000	500,000		1,500,000	1,500,000	-
Utoo Mixed Secondary School	1,000,000			1,000,000	1000000	-
Yalatani Secondary School	800,000			800,000	800000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
AIC Matinyani Mixed School	-	2,000,000	-	2,000,000	2000000	-
Mutanda Sec. School	-	-	1,000,000	1,000,000	1000000	-
Arch Bishop Lele Mang'elu	-	-	2,000,000	2,000,000	2000000	-
Kyeni Sec. School	-	-	1,000,000	1,000,000	1000000	-
St. Johns Kwa Mulungu	-	-	1,000,000	1,000,000	1000000	-
Total	29,200,000	4,000,000	5,000,000	38,200,000	38,200,000	-
9.0 Tertiary institutions Projects (List all the Projects)						
9.1	-	-	-	-	-	-
Total	-	-	-	-	-	-
10.0 Security Projects						
Kangondi Chief's Office	650,000	-	600,000	1,250,000	1,250,000	-
Kathivo Assistant Commissioner's Office	600,000	-	-	600,000	600,000	-
Kathivo Police Station	1,000,000	-	-	1,000,000	1,000,000	-
Kauma Chief's Office	500,000	-	-	500,000	500,000	-
Kivani Chief's Office	1,250,000	-	-	1,250,000	1,250,000	-
Kombu Chief's Office	500,000	-	-	500,000	500,000	-
Kwa Mumo Assistant Chief's Office	500,000	-	-	500,000	500,000	-
Kwa Mutonga Assistant Chief's Office	1,250,000	-	-	1,250,000	1,250,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kyondoni Assistant Chief's Office	600,000			600,000	600,000	-
Maselele Assistant Chief's Office	1,250,000			1,250,000	1,250,000	-
Matinyani Chief's Office	800,000			800,000	800,000	-
Mikuyu Mikya Assistant Chief's Office	500,000			500,000	500,000	-
Mithiikwani Chief's Office	500,000			500,000	500,000	-
Mithimi Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000
Miwongoni Assistant Chief's Office	500,000			500,000	500,000	-
Musengo Assistant Chief's Office	1,250,000			1,250,000	1,250,000	-
Musosya Assistant Chief's Office	400,000			400,000	400,000	-
Mutanda Chief's Office	1,250,000			1,250,000	1,250,000	-
Mutunguni Chief's Office	500,000			500,000	500,000	-
Mutunguni/Tulia Police Station	1,000,000	2,000,000		3,000,000	2,000,000	1,000,000
Mutululu Administration Police Line	600,000			600,000	600,000	-
Ndolos Police Station	2,500,000			2,500,000	2,500,000	-
Mithiikwani Ass. Chief's Office	-	1,250,000		1,250,000	1,250,000	-
Mutululu Chief's Office	-	1,250,000		1,250,000	1,250,000	-
Kalimani Chief's Office	-	-	700,000	700,000	700,000	-
Yalatani Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Mithimi Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Kyeng'e Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kyuasi Ass. Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Musengo Chief's Office	-	-	700,000	700,000	700,000	-
Makolo Ass. Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Nzala Ass. Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Kathivo Ass. Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Kakumuti Ass. Chief's Office	-	-	1,250,000	1,250,000	1,250,000	-
Kithuiani Ass. Chief's Office	-	-	400,000	400,000	400,000	-
Matinyani Police HQs	-	-	500,000	500,000	-	500,000
Sangala Ass. Chief's Office	-	-	500,000	500,000	500,000	-
Total	19,150,000	4,500,000	13,400,000	37,050,000	34,300,000	2,750,000
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
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						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
12.2						
Funds pending approval** (AIA)	335,000	180,000	-	515,000	-	515,000
Total	137,423,879	43,762,097	45,088,879	226,274,855	207,548,314	18,726,540

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2021 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.

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B 096967		18,000,000
AIE NO. B 104626		21,000,000
AIE NO. A 823654		30,367,724
AIE NO. B 124574		9,000,000
AIE NO. B 119521		8,500,000
AIE NO. B 119911		13,000,000
AIE NO. B 128465		7,000,000
AIE NO. B 128152		6,900,000
AIE NO. B 132209		6,000,000
AIE NO. B 138877		13,000,000
AIE NO. B 126465		10,600,000
AIE NO. B 126171		6,000,000
AIE NO. B 140609		12,000,000
AIE NO. B 140960	33,000,000	
AIE NO. B 105481	44,000,000	
AIE NO. B 105826	22,000,000	
AIE NO. B 128571	5,000,000	
AIE NO. B 128882	12,000,000	
AIE NO. B 154080	15,000,000	
AIE NO. B 164418	39,088,879	
AIE NO. B 155975	12,088,879	
TOTAL	182,177,758	161,367,724

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

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
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	335,000	7,000
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	335,000	7,000

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

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,832,014	1,915,730
Personal allowances paid as part of salary		
House Allowance	357,600	227,400
Transport Allowance	327,000	233,000
Leave allowance	-	-
Gratuity to contractual employees	825,125	885,450
Employer Contributions Compulsory national social security schemes	115,032	80,320
Total	3,953,381	3,341,900

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	0	1,347,000
Utilities, supplies and services	17,914	86,260
Communication, supplies and services	616,723	22,699
Domestic travel and subsistence	779,310	2,098,720
Printing, advertising and information supplies & services	0	0
Rentals of produced assets	0	0
Training expenses	1,123,117	2,495,400
Hospitality supplies and services	1,416,317	480,335
Other committee expenses	3,067,673	357,000
Committee allowance	2,755,277	0
Insurance costs	280,798	0
Specialized materials and services	0	0
Office and general supplies and services	849,176	676,120
Electricity	0	20,590
Water and Sewerage Charges	0	63,985

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

Fuel , oil & lubricants	709,100	420,298
Other operating expenses	2,699	166,500
Bank service commission and charges	33,310	45,980
Routine maintenance – vehicles and other transport equipment	584,064	250,277
Routine maintenance – other assets	46,670	50,000
Total	12,282,148	8,581,164

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

Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	52,050,000	24,800,000
Transfers To Secondary Schools (See Attached List)	38,200,000	26,800,000
Transfers To Tertiary Institutions (See Attached List)	0	0
Total	90,250,000	51,600,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,568,601	19,066,309
Bursary – tertiary institutions (see attached list)	27,309,460	15,965,900
Bursary – special schools (see attached list)	21,000	88,000
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0
Security projects (see attached list)	34,300,000	11,650,000
Sports projects (see attached list)	5,492,592	0
Environment projects (see attached list)	4,489,132	1,000,000
Emergency projects (see attached list)	6,882,000	5,900,479
Total	101,062,785	53,670,688

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0

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

Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Purchase of Bicycles & Motorcycles	0	533,313
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialized Plant, Equipment and Machinery	0	0
Acquisition of Land	0	0
Total	0	533,313

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
REREC	0	5,000,000
	0	5,000,000

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
Equity Bank Limited, 0720262084328	19,229,980	43,762,097
Total	19,229,980	43,762,097
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

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

Notes To the Financial Statements (Continued)

11: Outstanding Imprests

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Total				0

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

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	284,612	580,343
Gratuity held during the year (B)	825,174	589,719
Gratuity paid during the Year (C)	321,734	885,450
Closing Gratuity as at 30 th June D= A+B-C	788,052	284,612

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

Notes To the Financial Statements (Continued)

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	43,762,097	4,534,095
Cash in hand	0	0
Imprest	0	0
Total	43,762,097	4,534,095

14. Prior Year Adjustments

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

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	8,897,800	6,560,170
Imprest surrendered during the Year (C)	8,897,800	6,560,170
closing accounts in account receivables D= A+B-C	0	0
Changes in Account Receivables E= D-A	0	0

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

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	284,612	580,343
Deposit and Retentions held during the year (B)	825,174	589,719
Deposit and Retentions paid during the Year (C)	321,734	885,450
closing account payables D= A+B-C	788,052	284,612
Changes in Accounts Payable E= D-A	503,440	295,731.00

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

Notes to the Financial Statements (Continued)

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	0	0
Others (<i>specify</i>)	0	0
Total	0	0

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,046,624	1,289,491
Use of goods and services	2,226,853	6,795,899
Amounts due to other Government entities (see attached list)	851,300	11,900,000
Amounts due to other grants and other transfers (see attached list)	12,897,769	46,060,974
Others (Committee Expenses)	188,995	0
Acquisition of assets	0	0
Funds pending approval	515,000	180,000
Total	18,726,541	66,226,364

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

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	44,059,483	36,661,590
Total	44,059,483	36,977,354

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

Annexes

Annexes: 1. Analysis of Pending Accounts Payable

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

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1. Justus Kasau Mung'ali	NG-CDF Driver	01/06/2021	115,922	Accrued Gratuity
2. Antony Mbula	Watchman	01/02/2021	53,622	Accrued Gratuity
3. Joseph Ukunu	Watchman	01/02/2021	53,622	Accrued Gratuity
4. Hasings Mutemi	Programs Officer	01/02/2021	153,193	Accrued Gratuity
5. Frederick Mwalili	Accounts Assistant	01/06/2021	134,120	Accrued Gratuity
6. Ruth Ukungi	Support Staff	01/03/2021	76,479	Accrued Gratuity
7. Alfred Kilului	Clerk of Works	17/05/2021	133,795	Accrued Gratuity
8. Edah Kiteme	Assistant Office Administrator	01/08/2019	117,634	Accrued Gratuity
9. Stella Mumo	ICT Officer	01/08/2019	137,797	Accrued Gratuity
Total			976,184	

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

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees				
Salaries		1,618,273	1,192,311	
NSSF		64,030	69,280	
Provision for gratuity		364,078		
NHIF			27,900	
Sub Total		2,046,541	1,289,491	
Use of goods & services				
Electricity		32,573		
Water		24,739		
Telephone		245,744		
Training		674,000		
Sundry Items		37,166		
Catering		165,371		
M/V Insurance		176,536		
Sanitary		45,590		
Fuel		640,934		
M/V Maintenance		22,445		
Internet		10,095		
Posta		27,438		
Bank Charges		6,690		
Other Services		3,701		

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

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Office Maintenance		23,779		
General Office Supplies		90,051		
Sub- Total		2,226,853	6,795,899	
Amounts due to other Government entities				
Mutulu Secondary School		851,300		
Sub-Total		851,300		
AIC Kivani Primary School			700,000	
AIC Makolo Primary School			3,000,000	
AIC Matinyani Primary School			1,000,000	
Iani Primary School			1,500,000	
Ivulya Muu Primary School			1,000,000	
Kakeani Primary school			700,000	
AIC Matinyani Mixed Secondary School			2,000,000	
Iiani Secondary School			1,500,000	
Kakeani Secondary School			500,000	
Sub-Total			11,900,000	
Amounts due to other grants and other transfers				
Matinyani Police H/ Quarters		500,000.00		
Mithini Ass. Chiefs Office		1,250,000.00		
Mutunguni Police Station		1,000,000.00		
Kakumuti Assistant Chief's Office			1,250,000	
Kalimani Chief's Office			700,000	
Kangondi Chief's Office			600,000	

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

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Kathivo Assistant Chiefs Office			1,250,000	
Kithuiani Assistant Chief's Office			400,000	
Kyenge' Chief's Office			1,250,000	
Kyuasi Assistant Chiefs Office			1,250,000	
Makolo Assistant Chiefs Office			1,250,000	
Matinyani Police Head Quarters			500,000	
Mithiikwani Assistant Chief's Office			1,250,000	
Mithini Chief's Office			1,250,000	
Musengo Chief's Office			700,000	
Mutululu Chief's Office			1,250,000	
Nzala Assistant Chief's Office			1,250,000	
Sangala Assistant Chief's Office			500,000	
Yalatani Chief's Office			1,250,000	
Mutunguni Police station			2,000,000	
Sports		2,741,778	5,492,593	
Environment		2,745,238	4,492,592	
Emergency		4,456,296	4,146,089	
Bursary, Secondary		204,457	557,940	
Bursary, Tertiary		1	13,471,761	
Sub-Total		12,897,769	46,060,974	
Acquisition of assets				

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

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Others (Committee Expenses)			0	
Accommodation		129,098		
Subsistence		773		
Other Committee Expenses		59,124		
Sub- Total		188,995		
Funds pending approval (AIA)			180,000	
Grand Total		18,726,541	66,226,364	

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

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	0	0	0	0
Buildings and structures	15,007,468	0	0	15,007,468
Transport equipment	7,233,966	0	0	7,233,966
Office equipment, furniture and fittings	1,291,700	0	0	1,291,700
ICT Equipment, Software and Other ICT Assets	1,473,181	0	0	1,473,181
Other Machinery and Equipment	600,300	0	0	600,300
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	25,606,615	0	0	25,606,615

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

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
AIC Makolo Pri. Sch.	Co-operative	01139303686900	58,634	503,537
Kavumbu Primary school	Co-operative	01139811001400	5,874	1,106,295
Kyaani Primary school	Co-operative	01139811307000	37,899	442,946
Kitui West Environment	Co-operative	01141303239200	520,266	520,266
Kitui West Dccs office	Co-operative	01141810526200	9,931	359,431
Nzakame Assistant Chiefs office	Co-operative	01134810724700	1,767	1,767
Matinyani Boys' Sec. School	Co-operative	01139304683700	138,115	806,638
St. Mary's Kavole Primary School	Co-operative	01139304794800	1,001,007	900,696
Muthale Girls Secondary School	Co-operative	1139304757800	0	20,266
Katutu girls sec. school	Family Bank	072000037830	2,279,478	3,191
Katheuni Sec. School	Family Bank	072000027217	45	40
Mumbuni Primary	KCB	1178476480	154,928	363,315
Kangungi sec. sch.	KCB	1257154737	11,202	1,096,694
Utoo Mixed Sec Sch	KCB	1166461343	373,685	268,680
Miwongoni Primary School	KCB	1258199726	4,403	303,566
AIC Kyaani Girls Sec Sch	KCB	1184521565	1,995	1,995

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kauwi Resource Centre	KCB	1178956377	2,619	2,619
Kwa Kitui Primary School	KCB	1178401804	2,488	2,488
Mithiikwani Sec sch	KCB	1148058915	6,163	6,163
Kalia Primary School	KCB	1258107430	9,435	9,435
Ngegekani Primary school	KCB	1200029771	1,120	1,120
Kithuiani Primary School	KCB	1210615096	0	47,522
Kyambiwa Primary School	KCB	1257672924	0	1,273
Kwa Silu Primary School	KCB	1179528026	0	3,276
Mutini Pri. Sch	National Bank	01024117800900	96,498	88
Yalatani Pri. Sch	National Bank	01024117803800	87,865	0
Kakumi Pri. Sch.	National Bank	01024117809500	52,083	52,203
Kivani D.E.B Primary sch.	National Bank	01024128679300	21,232	402,265
AIC Matinyani Pri. Sch.	National Bank	01022242323300	286,844	0
Kakeani Pri. Sch.	National Bank	01024117898100	3,615	2,915
Kakumuti sec. sch.	National Bank	01020090184800	3,774	1,999,333
St. Josephs musosya	National Bank	01025123070100	3,310	1,501,470
Kakeani Sec. Sch.	National Bank	01022217594000	149,828	22,500

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
St. Johns kwa-mulungu Sec. Sch.	National Bank	01025123077000	24,415	24,415
Tulia Primary school	National Bank	01024117802700	164	0
Mavalo Primary School	National Bank	01024132031700	19,040	0
Musengo Primary School	National Bank	01024100620600	38,916	356
Ngongu Primary School	National Bank	01022216410400	0	5,375
Emivia Primary School	National Bank	01024100620600	3	0
Kilimu Primary School	National Bank	01024128692600	1,031	1,030
Mbavae Primary School	National Bank	01022216014800	0	0
St. Francis of Assis Kathivo sec sch	National Bank	01021053385300	696	696
St. Michael Kavumbu Sec. Sch	National Bank	01025123048100	262,512	63,891
Mutululu Primary School	National Bank	01024117807400	1,231	0
Kikanga Primay School	National Bank	01024128664600	824	824
Kalinditi Primary School	National Bank	01024100620500	0	1,255
Kaluni Primary School	National Bank	01024128609600	0	1,048
Kasue Primary School	National Bank	01024100619200	0	11,280
Kyeni Primary School	National Bank	01024132044600	0	657
Mangelu Primary School	National Bank	01024117833700	0	1,286

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Mavalo Primary School	National Bank	01024132031700	0	780,930
Misyini Primary School	National Bank	01024128692900	0	119,240
Muthale Primary School	National Bank	01024117829800	0	400
St. Patricks Kalindilo Secondary School	National Bank	01020100625400	0	84
Ukuni Primary School	National Bank	01024117802900	0	360
Iiani Pri. School	National Bank	010241178996000	0	4,785
Kathuma Pri. School	National Bank	01024117827200	0	4,620
Kavoo Pri. School	National Bank	01024117804000	0	10,665
Kithunzi Primary School	National Bank	01022211385100	0	555
Kwa Mukoo Pri. School	National Bank	01022206718800	0	1,000
Kwa Musyimi Primary School	National Bank	01024128680400	0	300
Kyondoni Girls' Sec. School	National Bank	01022204441600	0	1,701,630
Matinga Pri. School	National Bank	01024128679800	0	250
Musengo Secondary School	National Bank	01025123066900	0	3,145
St. Philips Mutini Sec. School	National Bank	01025117817900	0	50,481
ACC mutonguni office	Equity Bank	0720281006386	30,031	299,550
AIC Kitunduni sec. sch.	Equity Bank	0720280631988	700,720	999,100
AIC Kiuwani Primary School	Equity Bank	0720272298706	1,043,985	2,465

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

PMC	Equity Bank	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
AIC Kivani primary school	Equity Bank		0720280212349	34,272	-
AIC Kyaani Girls sec. School	Equity Bank		07202822236481	1,000,000	-
EMIVIA PRIMARY SCHOOL NG CDF-PMC ACCOUNT	Equity Bank		0720280210643	1,020,269	-
Arch. Lele Mangelu sec. sch	Equity Bank		0720281189035	427,847	-
Emivia Sec School	Equity Bank		0720261689427	3,457	-
Iiani Ass. Chief	Equity Bank		0720264394266	710	710
Iiani Mixed sec. sch	Equity Bank		0720261924848	4,068	1,004,060
Iiani Pri. School	Equity Bank		0720281043972	730	0
Ilako Mututa Sec. School	Equity Bank		0720269067354	117	117
Itheke the R/sand Dam	Equity Bank		0720282376874	108,731	-
Ivulya Muu Primary School	Equity Bank		0720263880351	79,842	1,312
Kakeani Chiefs Office	Equity Bank		0720271699288	181	181
Kakumuti ass. Chiefs office	Equity Bank		0720281050875	180,076	-
Kakumuti Primary School	Equity Bank		0720279815779	105,156	105,156
Kalia Assistant chiefs office	Equity Bank		0720264354786	4,505	4,505
Kalimani chiefs office	Equity Bank		0720281029195	70	-
Kalimani Primary School	Equity Bank		0720271771436	1,002,650	2,650

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kalimani Sec. School	Equity Bank	0720279788499	1,533,195	-
Kalimbevo Ass. Chiefs office	Equity Bank	0720277807449	203,512	203,512
Kalimbevo Pri. Sch.	Equity Bank	0720278860801	128,408	800,317
Kalindilo Primary School	Equity Bank	0720278947119	11,223	11,223
Kalinditi Pri. Sch.	Equity Bank	0720280490137	5,892	-
Kangii Ass. Chiefs office	Equity Bank	0720279706234	1,918	1,918
Kangii Primary School	Equity Bank	0720271495924	96	96
Kangii sec. sch	Equity Bank	0720261706671	618,169	1,702,143
Kangondi Ass. Chiefs office	Equity Bank	0720279771748	1,249	-
Kangondi chiefs office	Equity Bank	0720281031746	650,000	-
Kangondi Pri. Sch.	Equity Bank	0720279908261	2,881	-
Kangungi Primary School	Equity Bank	0720266577103	1,002,252	2,252
kasakini pri Sch.	Equity Bank	0720281012163	22,303	181
Kasue sec. sch.	Equity Bank	0720279105551	130,198	1,743,974
Katheka Ass. Chiefs office	Equity Bank	0720279689102	29,035	29,035
Katheuni Ass chiefs office	Equity Bank	0720277679798	1,290	1,290
katheuni pri Sch.	Equity Bank	0720263616886	91	837,836

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kathiani Primary School	Equity Bank	0720266594159	142,366	1,065
Kathivo Accs Office	Equity Bank	0720282217045	600,000	-
Kathivo ass. Chief	Equity Bank	0720281154937	390	-
Kathivo Police Station	Equity Bank	0720266696721	380	-
Kathivo Primary	Equity Bank	0720266872482	215	215
Kauma Sec. School	Equity Bank	0720279650270	44,469	8,040
Kauwi Primary School	Equity Bank	0720279706212	700,194	194
Kavonge pri. Sch.	Equity Bank	0720278943535	44,103	712,708
Kiamani Primary School	Equity Bank	0720266621282	42,400	12,495
Kiamani Sec. School	Equity Bank	0720280048304	133,539	-
Kiatine Primary School	Equity Bank	0720279791743	34,323	120,251
Kiseveni Ass.Chiefs office	Equity Bank	0720277701723	12,540	12,540
Kiseveni pri. Sch.	Equity Bank	0720263618863	96,203	850,667
kitamwiki Sec. Sch.	Equity Bank	0720261745160	52,037	702,163
Kithuiani Ass. chief	Equity Bank	0720277813750	1,794	26,414
Kithumula Chiefs office	Equity Bank	0720279708532	162,492	-
Kithumula Primary School	Equity Bank	0720271468490	166,271	54,839

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
kithumula Sec. School	Equity Bank	0720262238009	121.609	121.609
Kithunzi Primary	Equity Bank	0720280952832	3.475	-
Kitui west sports project	Equity Bank	0720264789324	1.637	515
Kitumbi Primary	Equity Bank	0720277435637	21.588	622.528
Kitundumo Pri. Sch.	Equity Bank	0720280752547	67.120	-
Kitunduni Primary School	Equity Bank	0720280631988	700.720	-
Kiukuni Primary School	Equity Bank	0720266580101	448.345	-
kiumoni Pri. Sch.	Equity Bank	0720278942633	141.950	864.807
Kivani Chiefs Office	Equity Bank	0720282286191	1,250,000	-
Kivani Mixed Sec. Sch.	Equity Bank	0720261712416	67.531	523
Kivulu Primary sch.	Equity Bank	0720268442233	111.220	250.023
Kombu Primary School	Equity Bank	0720266696721	380	380
Kwa Mulungu Primary School	Equity Bank	0720279714711	30.831	30.831
Kwa mumo Primary School	Equity Bank	0720266564351	5.385	5.385
Kwa Mutonga Assistant Chiefs Office	Equity Bank	0720282280151	1,250,000	-
Kwa Mutonga chiefs office	Equity Bank	0720279818237	1,144	43.724
Kwa Mwambi Mixed Day Sec. Sch	Equity Bank	0720261733639	4,798	4,798

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kwa Ndila Primary School	Equity Bank	0720271471358	34,525	-
Kwa ndonga Primary School	Equity Bank	0720279620884		45
Kwa-Kitisya Primary School	Equity Bank	0720273623849	1,404,031	4,031
Kwa-kyenza Bus Shade	Equity Bank	0720280941155	42,135	200,000
Kwa-mumo Assistant Chief	Equity Bank	0720271682942	60	60
Kwa-Musyimi Pri. Sch	Equity Bank	0720279006584	64,503	4,790
Kwa-Mutonga Police Station	Equity Bank	0720272165972	511	731
Kwa-Nyingi Primary sch.	Equity Bank	0720271475275	97,267	9
Kyambevo Primary School	Equity Bank	0720267134930	809,992	9,992
Kyambusya Pri. Sch.	Equity Bank	0720271486688	385,741	199,805
Kyamutimba Pri sch	Equity Bank	0720271487039	123,383	248
kyenge Chiefs office	Equity Bank	0720281036284	178,457	-
Kyenge Primary	Equity Bank	0720270060591	800,020	20
Kyeni Mixed sec. school	Equity Bank	0720278873588	142,729	34
Kyeni Primary	Equity Bank	0720263605947	164,344	-
Kyondoni Assistant Chiefs Office	Equity Bank	0720282257862	600,000	-
Kyondoni Mixed Sec. Sch.	Equity Bank	0720261802255	13	13

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
kyuasi Ass. Chiefs office	Equity Bank	0720281256435	176,149	-
Kyunduani Primary School	Equity Bank	0720280257411	18,675	-
Maaini Primary School	Equity Bank	0720266850107	24,115	61,305
Makolo ass. Chief	Equity Bank	0720281030009	166,181	-
Manzi Itumo Sec. School	Equity Bank	0720277543432	15,108	359
Maseki Assistant Chief	Equity Bank	0720282149525	1,000	-
Maseki Primary School	Equity Bank	0720279675645	41,112	72,780
Maselele Assistant Chiefs Office	Equity Bank	0720282563657	1,250,000	-
Maselele Pri. Sch	Equity Bank	0720272223413	18,365	18,365
Mateta Primary School	Equity Bank	0720266655757	22,066	-
Matinga pri. Sch.	Equity Bank	0720282176107	102,996	-
Matinyani Chiefs Office	Equity Bank	0720282644840	800,000	-
Matinyani DCCs Office	Equity Bank	0720282195366	34,607	-
Matinyani DEB Primary Sch.	Equity Bank	0720282322772	212,715	7
Matinyani Mixed sec. sch	Equity Bank	0720281021255	4,550	-
Matinyani Police headquarters	Equity Bank	0720271611245	47,697	248,017
Matinyani SCDE Office	Equity Bank	0720282175873	300,000	-

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Matinyani TSC office	Equity Bank	0720282080789	500	-
Mbuini Primary School	Equity Bank	0720266680975	124,524	18,005
Mikuyu Mikya Primary	Equity Bank	0720267148948	1,061,974	1,706,093
Mikuyu Mikya Sec. School	Equity Bank	0720261907383	1,207,299	55,026
Mithiikwani ass. Chief	Equity Bank	0720281031524	12,480	-
mithiikwani Primary Sch	Equity Bank	0720277982814	25,785	25,785
Mithini Chiefs office	Equity Bank	0720281093577	172,989	-
Miwongoni Assistant Chiefs Office	Equity Bank	0720266864097	500,000	-
Musengo Chiefs office	Equity Bank	0720281035353	33,109	-
Musosya Assistant Chief	Equity Bank	0720279665269	407,968	7,968
Mutanda Chiefs Office	Equity Bank	0720282205865	1,250,000	-
Mutanda Primary School	Equity Bank	0720278885805	1,000,030	30
Mutanda Sec. School	Equity Bank	0720279253843	109,083	6,231
Muthale Mixed Sec School	Equity Bank	0720282758202	488	-
Muthamo Sec. School	Equity Bank	0720277783520	69,029	19,079
Muthi Primary School	Equity Bank	0720262235179	1,943	16,253
Mutunguni chiefs Office	Equity Bank	0720278513495	566,742	511,016

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Mutonguni Primary School	Equity Bank	0720279652359	508	508
Mutulu Ap Line	Equity Bank	0720277836155	716.985	116.985
Mutulu Chiefs office	Equity Bank	0720281071453	136.922	-
Mutulu Sec. School	Equity Bank	0720277716163	5,700	103.839
Mwaani DEB Primary School	Equity Bank	0720272734869	3.347	3.347
Mwainya/Kakuswi R/sand dam	Equity Bank	0720282371235	141.621	-
Mwangya Primary School	Equity Bank	0720266838732	9.345	46.915
Ndalani pri. Sch.	Equity Bank	0720281232051	159.546	-
Ndiuni Primary sch.	Equity Bank	0720271461312	22.519	55.752
Ndolo's police Station	Equity Bank	0720278944706	2,692.749	4,192.469
Ngesu Primary	Equity Bank	0720279805180	171.348	10
Ngomango Primary School	Equity Bank	0720278944306	3.852	2,102
Ngongu Primary School	Equity Bank	0720262084328	164.267	-
Nguuni Primary School	Equity Bank	0720266572906	404	200,075
Nyuani Primary School	Equity Bank	0720266565162	66.255	97
Nzakame Sec. School	Equity Bank	0720279628617	20,364	20,364
nzalae Ass. Chiefs office	Equity Bank	0720281089153	164,552	-

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Nzemeli Primary Sch.	Equity Bank	0720266578066	1,004,198	4,710
Nzinia Ass. Chiefs office	Equity Bank	0720271476099	8,932	301,095
Nzinia Primary School	Equity Bank	0720271458879	90	90
St. Augustine Kasakini sec sch	Equity Bank	0720279804686	383	79,790
St. Benedicts Kwa-Mutonga Sec. School	Equity Bank	0720277839317	44,884	52,057
St. Marks Makutano Pri. Sch	Equity Bank	0720266785519	94,131	-
St. martins kwa-mutonga pri sch	Equity Bank	0720281734911	130,157	1,239
St. Peters Ngegekani Sec. Sch.	Equity Bank	0720271507722	23,254	4,810
Syokithumbi Ass. Chief	Equity Bank	0720281006638	1,354	1,249,550
Syokithumbi Primary School	Equity Bank	0720272986610	699,922	102
syomuitu Primary	Equity Bank	0720266700183	1,470	1,470
Tulia Police Station	Equity Bank	0720281095753	282,058	-
Tulia school for the Mentally Hand.	Equity Bank	0720278706750	149,763	2,998
Utoo Primary School	Equity Bank	0720271259673	9,464	9,464
Uvaani Pri. Sch.	Equity Bank	0720279661760	47,487	500,138
yalatani Chiefs office	Equity Bank	0720281082035	118,757	-
Yalatani Sec. School	Equity Bank	0720261980956	110,415	63

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kitamwiki Primary School	Equity Bank	0720270553334		241
Kitui West Environment PMC	Equity Bank	0720278214035		493
Kivulu Primary School	Equity Bank	0720268442233		250,023
Kwa Mumo Assistant Chief's Office	Equity Bank	0720271682942		60
Kwa Mutonga Primary School	Equity Bank	0720266840973		1,239
Kwa Nyingi Primary School	Equity Bank	0720271475275		9
Kyaani Ap-Line	Equity Bank	0720271771765		2,380
Kyamutimba Primary School	Equity Bank	0720271487039		248
Kyondoni Ap-Line	Equity Bank	0720271501684		1,350
Kyondoni Primary School	Equity Bank	0720266791438		123
Maselele Primary School	Equity Bank	0720272223413		18,365
Ndiuni Primary School- Mithumu Water line	Equity Bank	0720272150341		1,980
Uvaani Primary School	Equity Bank	0720279661760		500,138
Kangungi Ass. Chiefs Office	Equity Bank	0720278947398		4,868
Kasaini Chiefs Office	Equity Bank	0720278883438		235
Katheka Pri. School	Equity Bank	0720266577515		221
Kauma Primary School	Equity Bank	0720277412584		478
Kasakini Ass. Chiefs Office	Equity Bank	0720277708637		3,330
Katheka Pri. School	Equity Bank	0720266577515		221

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Kauma Primary School	Equity Bank	0720277412584		478
Kiteeti River Sand Dam	Equity Bank	0720279870520		906
Kithumula Ass. Chief Office	Equity Bank	0720278916490		2,290
Kitui West AP-Line	Equity Bank	0720272303207		707
Kitui West SCDE office	Equity Bank	0720279693685		438
Komu Pri. School	Equity Bank	0720273326585		67,515
Kunikila Primary School	Equity Bank	0720277441184		7,131
Kutha Primary School	Equity Bank	0720266554360		1,925
Kwa Mutonga Social Hall	Equity Bank	0720278596806		480
Kwa Mwambi Pri. School	Equity Bank	0720271463553		55,083
Kwa Mutonga Chiefs Office	Equity Bank	0720279818237		43,724
Kwa Ndondo Pri. School	Equity Bank	0720278938920		233
Makuue River Sand Dam	Equity Bank	0720279835753		43,331
Malatani Primary School	Equity Bank	0720266695927		6,365
Malukwete Pri. Sch	Equity Bank	0720266617928		1,990
Manzi Itumo Pri. School	Equity Bank	0720264382305		10,080
Mavalo River Sand Dam	Equity Bank	0720279875376		33,392
Mbavae Primary School	Equity Bank	0720279691239		335
Mutunguni Girls Sec. School	Equity Bank	0720261721677		7,351

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Ngunguuni Primary School	Equity Bank	0720266579462		6,915
Syokithumbi Chiefs Office	Equity Bank	0720269970048		19,699
TOTAL			44,059,483	(Restated) 36,977,354

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

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1 1.1	<p>Cash and Cash Equivalents Unpresented Cheques</p> <p>The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflects cash and bank balance of Kshs. 43,762,097 as at 30 June 2021. However, the bank reconciliation statement reflects payments in cash book not in the bank statement (unpresented cheques) amounting to Kshs. 3,733,109 for which clearance status of the same was not provided for audit confirmation.</p> <p>Consequently, the accuracy and completeness of the cash and cash equivalents balance of Kshs. 43,762,097 as at 30 June 2021 could not be confirmed.</p>	<p>The Sub County Treasury Kitui West to avail Status of unpresented cheques</p>	<p>Not resolved</p>	
1 1.1	<p>Cash and Cash Equivalents Idle PMC Balances</p>	<p>From our analysis, majority of these projects</p>	<p>Resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Note 17.4 to the financial statements reflects PMC account balances amounting to Kshs. 36,661,590 as at 30th June 2021. An analysis of the accounts revealed that there were balances amounting to Kshs. 644,190.39 that had remained idle in the financial year 2019/2020 and are still idle in the various PMC accounts in the year 2020/2021. It is not clear why the management through the board have not transferred these funds to the constituency account.</p> <p>In the circumstance, there is likelihood that the funds may not be fully utilized by the current parliament life.</p>	<p>are ongoing. Some balances also relate to retention money held by the PMCs. Nevertheless, the NG-CDFC is verifying the balances with a view of advising the PMCs on the next course of action.</p>		
<p>2 1.2</p>	<p>Summary of Fixed Assets Unreconciled and Unexplained Difference in Summary of Fixed Asset Register</p> <p>The summary of fixed asset register under Annex 4 to the financial statements reflects historical cost balance brought forward figure of Kshs. 25,073,302 which differs with the closing balance figure for the year 2019/2020 of Kshs. 27,826,030 resulting into unexplained and unreconciled difference of Kshs. 2,752,728.</p>	<p>Annex 4 of the financial statements has been revised to reflect the true position of fixed assets register.</p>	<p>Resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Consequently, it has not been possible to ascertain the completeness and accuracy of the fixed assets balance of Kshs. 25,606,615 reflected in the summary of fixed asset register as at 30 June 2021.			
1 1.1	Emphasis of Matter Budget as a Control Tool Budgetary Control and Performance The NGCDF Board's approved budget as per the summary statement of appropriation for the year under review was Kshs. 211,571,041 while the amount received was Kshs. 161,367,724 resulting to an under funding of Kshs. 50,203,317 or (23%). Further, during the year under review, NGCF-Kitui West Constituency had a total budget of Kshs. 211,578,041 against actual expenditure of Kshs. 122,431,334 resulting in under absorption of Kshs. 89,146,707 or 42%. Consequently, the residents of Kitui West Constituency may be denied services which could have been provided through projects which were not implemented by the CDF committee due to lack of funding by Board.	At the closure of the financial year, Kitui West NG-CDF had outstanding disbarments from the Board of Kshs. 89,146,707 comprising of: (i) AIE No. B 140960 of Kshs. 33,000,000 (ii) AIE No. B 105481 of Kshs. 44,000,000 and Undisbursed Balance of Kshs. 12,088,879.31. Later, all the outstanding balances were received from the Board.	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1 1.1	<p>Basis for Conclusion</p> <p>Other Grants and Other Payments</p> <p>Project Management and Implementation</p> <p>NGCDF- Kitui West Constituency initiated a project at Matinyani Police station in 2013. The project was to construction to completion an Administration block which consist of the OCS' office, deputy OCS' office, crime office, records office, armoury and two cells, one male cell and one female cell.</p> <p>The project contract price was Kshs 4,000,000 which has been fully paid. However, the audit of the project revealed the following anomalies:</p> <p>1.The Administration Block</p> <p>Despite the project consuming a total of Kshs 4,000,000, the cell and armoury constructed is yet to be put in use because of the poor quality of the doors and windows guarding the block.</p> <p>2.Delayed Completion</p> <p>The project was initiated in 2013 but nine years later, it is yet to be satisfactorily</p>	<p>Kitui West NG-CDFC has allocated more funds to replace the poor quality doors.</p>	<p>Not Resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>completed and put in use.</p> <p>In the circumstances, it has not been possible to ascertain whether the beneficiaries got value for money in respect of the project.</p>			
<p>1 1.1</p>	<p>Transfers to other Government Units Anomalies in the project implementation</p> <p>1.Katheka Sec. School. Transfer of Kshs. 2,500,00 for construction of 200 capacity dormitory. Disbursement to the PMC account was made on 1st October 2020.The dormitory was to be constructed up to the ring beam level as per the bill of quantities but this was not done as at the time of verification. The contractor was not on site and the project appeared to have stalled.</p> <p>In the circumstances, it has not been possible to ascertain whether the beneficiaries got value for money in respect of the project.</p>	<p>The Bill of Quantities was revised during the course of project implementation.</p>	<p>Resolved</p>	
	<p>2.Matinyani Boys Sec. School. Transfer of Kshs. 2,000,000 for conversion of a dining hall to a dormitory. The project was not</p>	<p>The Project has been branded save for the floor works which are</p>	<p>Partially resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	<p>implemented to satisfaction. Flooring works costed at Kshs. 176,250 in the Bill of Quantities had not been done as at the time of verification. Branding of the project was also not done.</p> <p>In the circumstances, it has not been possible to ascertain whether the beneficiaries got value for money in respect of the project.</p>	<p>pending due to lack of funds.</p>		
3.AIC Utoo Sec. School. Transfer of Kshs. 2,000,000 for construction of a science laboratory. Poor workmanship was evident on the sink areas. Mechanical works supply, installation, testing and commissioning totalling Kshs. 336, 650 as per the bills of quantity were not done. (Lab sink Kshs. 38,500, fume cupboard, water supply, gas supply and drainage Kshs. 50,850, LP Gas installation Kshs. 69,400, copper tubing, gas valves and pressure regulator Kshs. 142,900, Gas outlet and Bunsen burner Ksh. 35,000) Disbursement to the PMC account was made in October 2020 and construction works begun in December 2020. A completion certificate was issued on 5th July 2021 despite works not done. However, additional funding is required for full completion of the project.	<p>The Bill of Quantities was revised during project implementation. However, the NG-CDFC has since allocated more funds to the sum of Ksh. 1,000,000 and the project is now complete and in use.</p>	Resolved		

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


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>In the circumstances, it has not been possible to ascertain whether the beneficiaries got value for money in respect of the project.</p>			
	<p>4. Kakeani Sec. School. Transfer of Kshs. 1,700,000 for construction of a Science lab. The project was implemented, though according to the BQ, openings to allow for sinks were to be 25 in number but only 15 had been constructed. These were costed at Ksh.250 each. There was provision for a permanent plexi glass (Kshs. 3,200), bevelled glass at edges Kshs (3,200), all for the fume chamber that were not done. 7 Rubber door stops costing sh.1750 were also not installed. In the circumstances, it has not been possible to ascertain whether the beneficiaries got value for money in respect of the project.</p>	<p>The missing ten (10) worktops were as a result of the removal of the middle worktops. It's the PMC that had requested the omission of the middle concrete worktops to allow space for classrooms and group meetings. The fume chamber glasses have since been fixed and the project is now in use.</p>	<p align="center">Resolved</p>	
<p>1 1.1</p>	<p>Other Grants and Other Payments Emergency projects Note 7 to the financial statements showed other grants and other payments amounting to Kshs. 53,670,688. Included in the amount is Kshs. 5,900,479 in respect of emergency projects, out of which a sample of (13) thirteen projects totalling Kshs. 4,096,119 was drawn. It was however noted that (4) out of the (13) projects funded amounting to Kshs.</p>	<p>The office has availed the requests for emergency funding for all the listed projects.</p>	<p align="center">Resolved</p>	

Kitui West Constituency

National Government Constituencies Development Fund (NGCDF)

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>1,250,000, were not supported with requisitions from the funded entities. It was therefore not possible to confirm funding was actually for projects of emergency nature, and how the NGCDF Committee was made aware of the need as shown in the table below:</p> <ol style="list-style-type: none"> 1. Kalia Ass. Chief Office: Fencing of assistant chief's office Kshs. 350,000 2. Kalinditi Pri School: Construction of a 2-door pit latrine Kshs. 250,000 3. Katheuni Pri School: Construction of a 3-door pit latrine Kshs. 300,000 4. DCC Office Kitui West: Installation of 3-10,000 ltrs water tank and gutters, construction of stands Kshs. 350,000. <p>In the circumstances, it was not possible to ascertain whether funding was actually for projects of emergency in nature, and how the NGCDF Committee was made aware of the need.</p>			

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Name: Nicholas N. Kimanzi
Fund Account Manager.