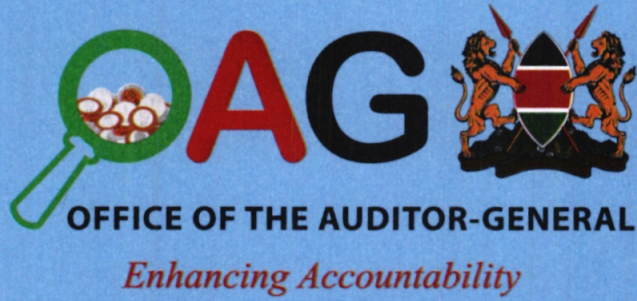


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REPORT

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY PAPERS LAID	
ON	24 AUG 2023
TABLED BY:	Hon Kimani Ichungu, MP The leader of the majority party
CLERK AT THE TABLE:	Anne Shuboko

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
MATAYOS CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2022



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
KENYA

28 SEP 2022

RECEIVED



MATAYOS 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 (IPSA)

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

*MATAYOS Constituency
National Government Constituencies Development Fund (NGCDF)
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Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Kevin O. McAkech
2.	Sub-County Accountant	Loyce Wanyama
3.	Chairman NGCDFC	Pascal B Sande
4.	Member NGCDFC	Caroline Atieno

(d) Fiduciary Oversight Arrangements

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

(a) NGCDF Matayos Constituency Headquarters

P.o Box 1055-50400
Busia (K)
Busia-Kisumu Road, Mundika Stage

(b) NGCDF MATAYOS Constituency Contacts

Telephone: (254) 721800337
E-mail: cdformatayos@ngcdf.go.ke
Website: www.matayos.co.ke

(c) NGCDF Matayos Constituency Bankers

Equity Bank
A/c No 0780266047486
P.o Box 553-50400
Busia Kenya

(d) Independent Auditors

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

(e) 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



PASCAL B. SANDE
MATAYOS NG-CDFC CHAIRMAN

The NGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The constituency was allocated Kshs.137, 088.879.00 in the financial year 2021/2022. Education programmes were allocated Kshs.90, 719 490.00 which is 66.2% of the entire budget followed by Bursary schemes at Kshs.40, 100.00 or 29.25% of the total budget. The strategies and interventions by NG-CDF has brought improvement of performance in schools, increase in enrolment of learners and reduced school dropouts for lack of fees in Matayos Constituency. Similarly, the Security infrastructures constructed By NG-CDF within the wards has brought services nearer to the communities and provided a conducive working environment for security personnel & agencies and also provided correctional/rehabilitation and holding centres.

Literacy levels have gone up as a result of bursary disbursement to the needy learners of which NG-CDF had 10,025 beneficiaries amounting to Kshs. 40,100,00/= Other activities included sports, where annual events were organised at the ward levels all the way to the finals that were done as an annual festival event. As part of environmental activities, Schools received water tanks for water harvesting.

The constituency successfully started construction of a 2,000 capacity multipurpose hall at Mundika Secondary School that will be used for as a centre for events and activities by Schools and the public in the Constituency. NG-CDF further managed to complete the following on-going projects; 14 classrooms, 3 kitchens for learners, 2 administration blocks, purchase of 6.5 hectares of land, and 3 laboratories. The constituency constructed 14 new classrooms; renovated 28 classrooms, 1 administration block, constructed 16 door pit latrines, fencing of a two acre school land.

However, we had challenges that included drastic price increase of building materials. This had a bearing on projects completion. COVID-19 Pandemic was also an immerging issue that negatively influenced the implementation of NG-CDF Projects. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals, resubmissions, reallocations and absence of technical persons within the constituency. There was involvement of the public participation in project identification of which increased project ownership was realised.

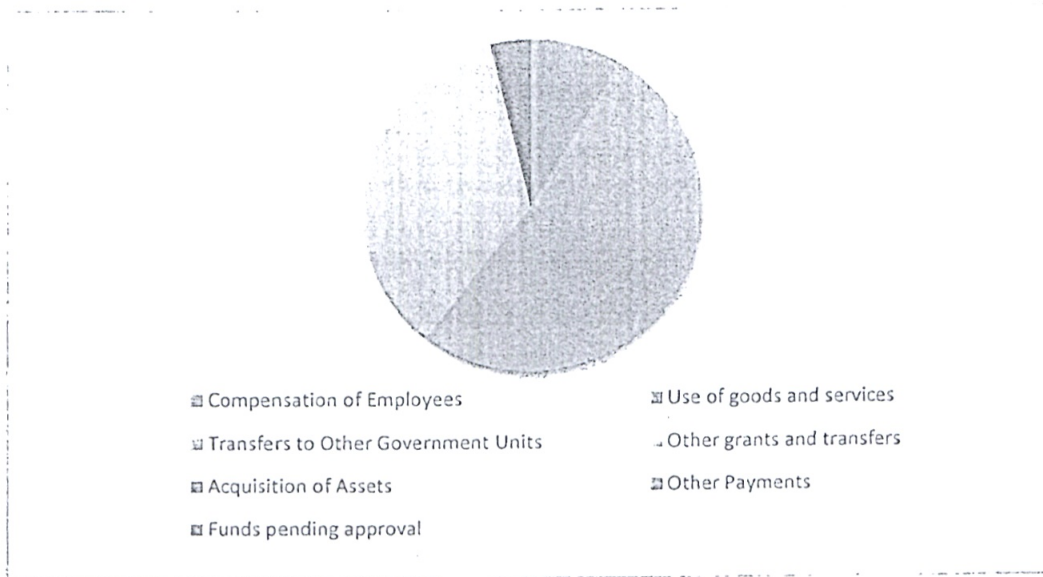


Fig 1: Budget allocation for 2021/2022 per sector. Transfers to other Government units had the highest allocation from the constituency followed by other grants and transfers, use of goods and sdervices, funds pending approval and lastly compesation of employees.

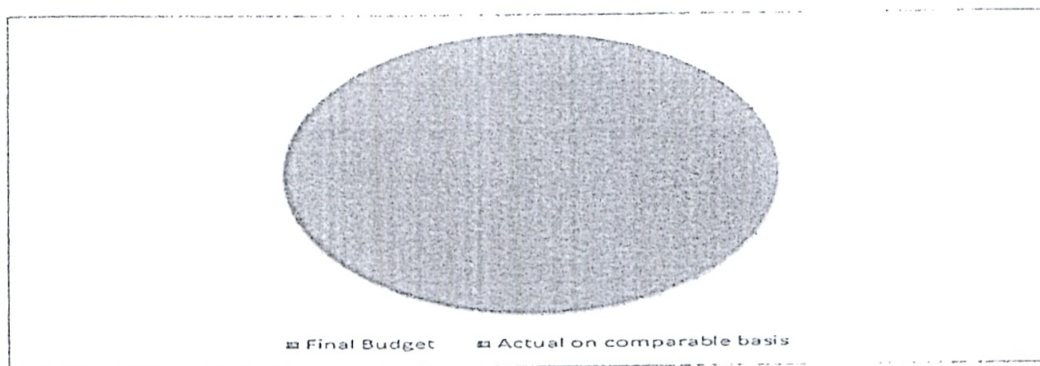


Fig 2: Shows the actual budgeted and received in the financial year 2021/2022



Fig 3: Mundika Secondary School completion of a storey Administration Block consisting of 5 offices, staff room, computer room with capacity of 40 computers and a library; internal finishes, tiling and painting.

Sign

CHAIRMAN NGCDF COMMITTEE
PASCAL B.SANDE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81(1) of the Public Finance Management Act, 2012 states that at the end of each financial year, the accounting officer for a national government entity shall prepare financial statements in respect of the entity. Section 81 (2) (f) further requires that, at the end of each financial year, the Accounting officer when preparing financial statements 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.

Matayos is based on the mandates, objectives and provisions of Section (3) of the NG-CDF Act, 2015 as amended in 2016. The constituency being the entry point between Kenya and Uganda, Busia town thrives in trade where livestock, agricultural products and manufactured goods are traded. With the additional development projects being undertaken through the NG-CDFC funds and the availability of natural and human resources, it has created a positive economic environment that will ultimately ensure the growth of the constituency. The NG-CDF Committee through the strategic plan 2019-2023 were cognizant of the fact through proper planning and recognition of the development needs within the constituency it would give the constituency a roadmap that aligns the NG-CDFC activities to achieve the set development goals.

The key development objectives of NGCDF-Matayos Constituency's 2019-2023 strategic plans are to;

In emphasizing the above, the key development objectives of NG-CDF Matayos Constituency's 2019-2023 plan include;

Strategic Area One; Education Programmes (Primary Schools)

Sector Priority; Improvement of infrastructure in Primary Schools

Strategies/ Interventions; Reduce of school dropouts, Improvement of performance in schools, increased enrollment in schools, and Increase performance in schools

Objective: To ensure all boys and girls above five years access quality primary education

Outcome: Enhanced access to quality primary education

Strategic Area Two; Education Programmes (Secondary Schools)

Sector Priority; Improvement of infrastructure in Secondary schools

Strategies/ Interventions; Reduction in school dropouts, Improvement of performance in schools, Increase enrollment schools and Increase performance in schools

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Objective: Improve access, equity, retention of Secondary Education

Outcome: Improved enrolment, retention and transition rates

Strategic Area Three: Security

Sector Priority; Reduce crime

Strategies/ Interventions; Installation of security lights, Security administrative centers, Improvement of security camps, Increasing number of security personnel, Capacity building for communities and Correctional/Rehabilitation and holding centers

Objective: To reduce the number of crimes

Outcome: Enjoyment of a peaceful and orderly society

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To ensure all boys and girls above five years access quality primary education Improve access, equity, retention of Secondary Education	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all level	Construction of a 2,000 capacity multipurpose hall Construction of 1 administration block Completion of 5 administration blocks Renovation of 1 administration block Construction of 9 classrooms Completion of 2 classrooms

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Constituency Program	Objective	Outcome	Indicator	Performance
				Renovation of 17 classrooms Construction of 12 door pit latrine Construction of 1 laboratory and 1 library Completion of 2 laboratories and 1 library Fencing of 2 acres of land Renovation of 1 multipurpose hall Construction of 1 dining hall Completion of purchase of 2 acres of land 8,291 bursary beneficiaries
Security	To reduce the number of crimes	Developed and enhanced security organs	Number of usable physical infrastructure built in locations, sub locations and police stations	Completion of 3 chiefs' office Construction of 1 chief's office Renovation of 2 chief's offices Construction of a 4 door pit latrine in a chief's office

Constituency Program	Objective	Outcome	Indicator	Performance
				Construction of 1 police post Completion of 1 police post Renovation of DDC's office
Environment	Improve access to a more sustainable and conserved environment	Improved sanitation facilities in schools Provision of tree seedlings to schools to improve the forest cover	Number of sanitation facilities built in schools Number of trees planted	Purchase and installation of Water Tanks for water harvesting 10,000 litres in 12 schools
Sports	Empower youth and special groups in the constituency	Improved cohesion and enhanced economic growth through sports	Number of groups benefitting from the sports programme	300 youths will benefit from the program

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Matayos Constituency exists to transform the livelihood of its constituents through support of the grass-root development projects. The NG-CDF Committee is very keen on ensuring public involvement in the implementation of the projects to ensure project ownership, sustainability, effective and efficient management of public resources. Through conducting the public forums the constituents are able to identify the development projects which are within the provisions of the NG-CDF Act, the functions of the National Government, the National Development plans and policies as outlined in the vision 2030 and the Big Four Agenda

The Matayos NG-CDF Committee always highlights Corporate Social Responsibility as a tool with relevance for the actualization of the public policy with the ultimate goal of ensuring sustainable and inclusive development programmes in the constituency. This is our purpose; the

driving force behind everything we do and it is what guides us to deliver our strategy, which is founded on social sector, namely; Education, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile

Matayos NG-CDF Committee uses the guidelines and policies provided by the NG-CDF Board and the relevant Government Institutions in the management of the fund. The operations under Matayos NG-CDF are based on project identification, allocation of funds, implementation of projects and continuous monitoring and evaluation to achieve the set goals and objectives. The prioritized set of actions within the constituency are guided by the vision and mission statement in the strategic plan (2019-2023)

Model	Definition	Relevance to sustainable strategy
Vision	A transformative and progressive Constituency for sustainable and equitable development	The vision statement covers the prioritised set of actions to ensure sustainable and equitable development.
Mission	To provide, develop and execute well-managed development programmes and projects that focus on reduction of poverty, service delivery to Matayos Constituency residents through well organized and equitable resource distribution.	The prioritised set of actions within the constituency include; service delivery to the constituents, equitable resource distribution, and implementing programmes and projects that focus on reduction of poverty
Core Values	Transparency, Accountability, Integrity, Public Trust, Team work, Fairness for every resident in distribution of resources, Equity, Inclusiveness, Openness, Quality Service Delivery, Gender Equality , Public Participation,	The core values represent the values and principles that the constituency holds towards attainment of the goals and objectives

Model	Definition	Relevance to sustainable strategy
	Quality Service delivery	

- a. **Education and Training:** Matayos NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as water harvesting goods.
- 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Matayos NG-CDF Committee supports the improvement and maintenance of the environment by ensuring that at least 2% of the Constituency budget is spent on preserving and protection of the environment through enhanced tree planting. Matayos NG-CDF Committee recognises the provisions of the strategic plan (2019-2023) and the National Environmental Management Authority (NEMA) guidelines.

Matayos NG-CDF Committee is guided by an environment policy which commits to;

- Increase the forest cover in Matayos through planting of trees
- Protect the environment through minimizing our contribution to pollution of land, air and water and management of waste by ensuring proper waste disposal.
- Comply with the relevant environmental measures which have been put in place

- Encouraging and sensitizing on the importance of protecting the environment to the constituents.
- Regularly communicating our environmental performance to the relevant stakeholders

3. Employee welfare

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

Health and Safety

Matayos NG-CDFC has put in place measures that adhere to the Occupational Safety and Health Act, 2007. The office is well maintained within the specifications of the Occupational Safety and Health Act, 2007 to ensure the safety of the staff as they undertake their daily tasks. Fire protection facilities have been provided both inside and outside the building, the exit signs have been indicated in case of any emergency and the firefighting Equipment have been labelled.

Every employee is advised to report to the immediate supervisor in case of any situation which the employee has reasonable grounds to believe it presents an imminent or serious danger to the safety or health of that employee or of other employee in the same premises as set out in Section 14 (1) of the Occupational Safety and Health Act, 2007. The NG-CDFC staffs have been trained to ensure that no person engages in any improper activity or behaviour at the workplace, which might create or constitute a hazard to that person or any other person as set out in Section 16 (1) of the Occupational Safety and Health Act, 2007.

The NG-CDFC staffs, including their spouses and children are eligible to benefit from NHIF medical scheme as the deductions are done and paid on a monthly basis.

4. Market place practices-

Matayos NGCDF Constituency is committed to fair and ethical market practises. The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn

from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

NGCDF has put in efforts to ensure:

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

Matayos NG-CDF Committee main objective is to empower the locals while implementing the development projects within the constituency. The constituency implements projects through labour contracts and full contracts. Open tendering is used in award of all the tenders, advertisement is done publicly, and no form of discrimination is applied. The invitations for tenders are done within the specifications of Section 74 of the Public Procurement and Asset Disposal Act, 2015. During projects implementation and once funds are transferred to the Project Management Committee, the PMC is guided on the tendering process. In open tendering and in the instance that the tender is awarded to a non-constituent member, the contractor is advised to source for labour and the available materials within the constituency. Payments to suppliers are done after the presentation of requisite supporting documents. Payments to the contractors are done after presentation of payment certificates for works done which are prepared by the Public works office. In order to safeguard consumer rights and interests, Matayos NG-CDFC came up with a service charter and complaints handling policy. In cases where complaints arise, the complaints are resolved as quickly as possible.

5. Community Engagements-

Section 27 (1) of the NG-CDF Act, 2015 as amended in 2016 states that the chairperson of the Constituency Committee shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency. Section 27 (2) further states that the Constituency Committee shall deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long

term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from.

For the constituency's development project to have a high impact to the community and full ownership from the constituents there is need to have public participation. Matayos NG-CDF Committee is keen on ensuring that the public is involved in the decision making process. Public participation ensures that the actions taken by the Committee adequately reflect the needs of the people and it ensures that the benefits of development are equitably shared among the 5 wards in Matayos.

Matayos NG-CDF Committee is very passionate on promoting and enhancing education within the constituency. Needy students in secondary schools and tertiary institutions are awarded with bursary. However due to the Covid-19 pandemic and interruption of the academic calendar, the bursary disbursement process was affected.

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

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- Matayos 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, 2021. 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- Matayos 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 *Matayos* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Matayos Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

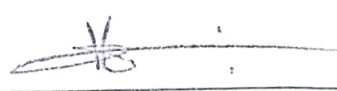
The Accounting Officer in charge of the NGCDF Matayos Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *Matayos* 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- Matayos Constituency financial statements were approved and signed by the Accounting Officer on 18/9 2022.



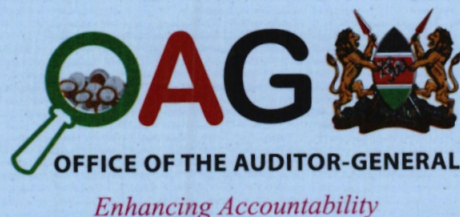
Chairman NGCDF Committee
Name: Pascal B. Sande



Fund Account Manager
Name: Kevin O. McAkech

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Matayos Constituency set out on pages 1 to 44, which comprise of the statement of assets and liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article

229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Bank Account Balances

The financial statements and as disclosed in Note 17.4 to the statements reflect Project Management Committee (PMC) bank account balances totalling Kshs.4,093,447 as at 30 June, 2022. However, bank reconciliation statements and cash books in support of these balances were not provided for audit review.

In the circumstances, the accuracy and completeness of the Project Management Committee bank account balances of Kshs.4,093,447 could not be confirmed.

2. Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflect balance of Kshs.34,418,866 in respect of cash and cash equivalents. However, the bank reconciliation statement for the month of June, 2022 includes un-presented stale cheques totalling Kshs.2,356,989. No satisfactory explanation was provided on why the cheques had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.34,418,866 could not be confirmed.

3. Unsupported Bursary Disbursements

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects balance of Kshs.62,139,633 in respect of other grants and other transfers. The amount includes Kshs.7,585,323 being disbursement of bursary funds to tertiary institutions which was not supported by a ledger or detailed schedules.

In the circumstances, the accuracy and completeness of the amount of Kshs.7,585,323 disbursed to tertiary institutions could not be confirmed.

4. Understated Transfers to Other Government Units

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects balance of Kshs.89,119,494 in respect of transfers to other Government units out of which Kshs.75,067,254 relates to transfers to secondary schools. However, review of the supporting schedule and payment vouchers reflect

an amount of Kshs.76,867,250 resulting to a variance of Kshs.1,799,996 which was not reconciled.

In the circumstances, the accuracy and completeness of transfers to other Government units amount of Kshs75,067,254 could not be confirmed.

5. Undisclosed and Unsupported Payment to a Corporation

Review of the cash book and bank statements revealed a payment of Kshs.2,000,000 made to Rural Electrification and Renewable Energy Corporation on 18 March, 2022 for electricity connection within the Constituency. However, the expenditure has not been included in these financial statements. Further, no evidence was provided to indicate that electricity was connected within the constituency.

In the circumstances, the propriety of the expenditure of Kshs.2,000,000 could not be confirmed.

6. Undisclosed and Unsupported Disbursement for Purchase of Land

Review of the cash book and bank statements revealed a disbursement of Kshs.3,460,000 to a Special School on 22 April, 2022 for purchase of land measuring 0.933 acres. However, the amount has not been disclosed in the financial statements and no evidence was provided to indicate that the land was purchase as intended.

In the circumstances, the propriety of the payment of Kshs.3,460,000 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis amounts of Kshs.213,811,965 and Kshs.201,723,087 respectively, resulting to under-funding of Kshs.12,088,878 or 6% of the budget. Similarly, the statement reflects actual expenditure of Kshs.167,004,225 against approved budget of Kshs.213,811,965 resulting to under-performance of Kshs.46,807,740 or 22% of the budget.

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

2. Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements. However, the Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Incomplete and Stalled Projects

1.1 Construction of Administration Block

The statement of receipts and payments and as disclosed in Note 6 to the financial statements, reflects an amount of Kshs.89,119,494 in respect of transfers to other Government Units which, includes Kshs.75,067,254 being transfers to secondary schools, out of which Kshs.21,000,000 was disbursed to a Secondary School for construction of a one-storey administration block.

The contract was awarded to local construction company at a contract sum of Kshs.35,284,255 for a contract period of fifty-two (52) weeks commencing 13 December, 2021 with a completion date of 13 December, 2022. However, the tender opening minutes dated 25 October, 2021 were not initialed by the tender opening committee contrary to Section 78 of the Public Procurement and Assets Disposal Act, 2015. The project was suspended on 3 October, 2022 by the Department of Public works due to desertion of the works by the contractor. However, the contractor requested for an extension of the contract period which was granted on 31 January, 2023 and the contract period was extended to 30 April, 2023.

An audit inspection carried out on 27 March, 2023 revealed that the project had stalled and the contractor abandoned site. At the time inspection, the contractor had done the super structure of the ground floor including plastering, wiring, plumbing, windows, doors and the floor representing 48% of the total works and paid a total of Kshs.22,792,532 or 65% of the contract sum compared to 48% completion status of the project and with only one month remaining to the completion of the new project period.

In the circumstances, value for money was not obtained from the project.

1.2 Construction of a Multi-Purpose Hall

The statement of receipts and payments and as disclosed in Note 6 to the financial statements, reflects an amount of Kshs.89,119,494 in respect of transfers to other Government units which includes Kshs.75,067,254 being transfers to secondary

schools out of which Kshs.36,900,000 was transferred to a School for construction of multi-purpose hall. The contract for the project was awarded to a local construction company on 24 November, 2021 at a contract sum of Kshs.46,833,216 for a period of fifty-two (52) weeks commencing 1 December, 2021 and scheduled for completion on 30 November, 2022.

A physical inspection carried out on 27 March, 2023 revealed that the contractor had only done windows and that the works were 45% complete. It was also revealed that the project had stalled and the contractor had abandoned site. At the time of stalling, the contractor had been paid a total of Kshs.41,570,226 being 89% of the contract sum while the project was 45% complete.

In the circumstances, value for money was not obtained from the project.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability 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 its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation

of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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


CPA ~~Nancy Gathungu~~, CBS
AUDITOR-GENERAL

Nairobi

18 July, 2023

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

VI. REPORT OF THE AUDITOR GENERAL ON THE *NGCDF- MATAYOS CONSTITUENCY*


I. Statement of Receipts and Payments for the Year Ended 30th June 2022

	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	174,838,879	162,917,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		174,838,879	162,917,724
Payments			
Compensation Of Employees	4	7,203,911	4,291,858
Use Of Goods and Services	5	8,541,187	7,623,987
Transfers To Other Government Units	6	89,119,494	63,226,560
Other Grants and Transfers	7	62,139,633	59,740,742
Acquisition Of Assets	8	-	-
Other Payments	9	-	1,999,100
Total Payments			
Surplus/(Deficit)		167,004,225	136,882,247

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 15/9 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF Committee

Name: Kevin McAkech

Name: Loyce Wanyama
ICPAK M/No: 19609

Name: Pascal B. Sande

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


	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	34,418,866	26,884,208
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		34,418,866	26,884,208
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		34,418,866	26,884,208
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A		
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		34,418,866	26,884,208
Represented By			
Fund Balance B/Fwd	13	26,884,208	848,731
Prior Year Adjustments	14	-	
Surplus/Deficit for The Year		7,534,658	26,035,477
Net Financial Position		34,418,866	26,884,208


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 18/9 2022 and signed by:


Fund Account Manager

Name: KEVIN MCAKECH


National Sub-County
Accountant
Name: LOYCE WANYAMA
ICPAK M/No: 19609


Chairman NG-CDF Committee

Name: PASCAL B. SANDE

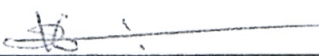
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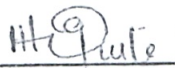
III. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	174,838,879	162,917,724
Other Receipts	3	-	-
Total Receipts		174,838,879	162,917,724
Payments			
Compensation Of Employees	4	7,203,911	4,291,858
Use Of Goods and Services	5	8,541,187	7,623,987
Transfers To Other Government Units	6	89,119,494	63,226,560
Other Grants and Transfers	7	62,139,633	59,740,742
Other Payments	9	-	1,999,100
Total Payments		167,004,255	136,882,247
Total Receipts Less Total Payments			
Adjusted For:		-	-
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		7,534,658	26,035,477
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	-	-
Net Cash Flows from Investing Activities		-	-
Net Increase In Cash And Cash Equivalent		7,534,658	26,035,477
Cash & Cash Equivalent At Start Of The Year	10	26,884,208	848,731
Cash & Cash Equivalent At End Of The Year	10	34,418,866	26,884,208

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 15/9 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF Committee

Name: KEVIN MCAKECH

Name: LOYCE WANYAMA
ICPAK M/No: 19609

Name: PASCAL B.SANDE

*Matayos Constituency
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IV. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	137,088,879	26,884,208	49,838,878	213,811,965	201,723,087	12,088,878.31	94.3%
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
Totals	137,088,879	26,884,208	49,838,878	213,811,965	201,723,087	12,088,878	94.3%
Payments							
Compensation Of Employees	7,413,924	1,200,000		8,613,924	7,203,911	1,410,013	83.6%
Use Of Goods and Services	4,921,355		3,620,000	8,541,355	8,541,187	168	100.0%
Transfers To Other Government Units	66,012,858	16,868,984	32,573,711	115,455,553	89,119,494	26,036,059	77.4%
Other Grants and Transfers	58,740,742	8,815,224	13,645,167	81,201,133	62,139,633	19,061,500	76.5%
Acquisition Of Assets	0			0	-	-	
Other Payments	0			0	-	-	
Funds Pending Approval**	0			0			
Totals	137,088,879	26,884,208	49,838,878	213,811,965	167,004,225	46,507,740	78.2%

***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.*

Explanatory Notes .

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]




MATAYOS Constituency
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(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	46,507,744
Less undisbursed funds receivable from the Board as at 30 th June 2022	12,088,878
	34,418,886
Add Accounts payable	
Less Accounts Receivable	
Add/Less Prior Year Adjustments	
Cash and Cash Equivalents at the end of the FY 2021/2022	34,418,886

The Constituency financial statements were approved on 18/9 2022 and signed by:

		
_____ Fund Account Manager	_____ National Sub-County Accountant	_____ Chairman NG-CDF Committee
Name: KEVIN MCAKECH	Name: LOYCE WANYAMA ICPAK M/No: 19609	Name: PASCAL B. SANDE

*MAIAYOS Constituency
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X. Budget Execution by Sectors and Projects for the Year Ended 30th June 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			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	7,413,924	1,200,000		8,403,911	7,203,911	1,200,000
1.2 Committee allowances	209,335.20			209,335	282,700.00	(73,365)
1.3 Use of goods and services	600,000	3,276,026		3,876,026	3,276,026	600,000
2.0 Monitoring and evaluation						
2.1 Capacity building	2,064,600			2,064,600	1,575,600	489,000
2.2 Committee allowances	1,048,000	1,412,685.00		2,460,685	2,404,461	56,224
2.3 Use of goods and services	1,000,000	343,974		1,343,974	1,002,400	341,574
3.0 Emergency						
3.1 Primary Schools						
Busindebala Primary PMC	1,376,000			1,376,000	1,376,000	
Siwongo Primary School pmc	935,540			935,540	935,540	
3.2 Secondary schools						
Mundika Secondary School PMC	580,000			580,000	580,000	

*MATAYOS Constituency
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements			
Lunga secondary School PMC	300000			300,000	300,000	-
3.3 Tertiary institutions						
Dr.Daniel Wako TVC PMC	236,900	213,100.00		450,000	450,000	-
3.4 Security projects						
3.5 Utilized	4,000,667		1,006,746	5,007,413		5,007,413
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	26,000,000	18,453,500.00		44,453,500	44,453,500.00	-
4.3 Tertiary Institutions	7,100,000	485,323		7,585,323	7,585,323.00	-
4.4 Universities				-		-
4.5 Social Security	6,000,000			6,000,000	0.00	6,000,000.00
5.0 Sports						
5.1	1,500,000	1,499,600.00	0	2,999,600	2,999,600.00	-
5.2						
6.0 Environment						
6.1 Mundika Girls Primary	70,000			70,000	70,000	-

*MAIAYOS Constituency
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
6.2 Khuduru Primary School	70,000		0	70,000	70,000	-
6.3 Nasira Secondary School	70,000		0	70,000	70,000	-
6.4 Mayenje Primary School	70,000		0	70,000	70,000	-
6.5 Igero Secondary School	70,000		0	70,000	70,000	-
6.6 Bugengi Primary School	70,000		-	70,000	70,000	-
6.7 St. Mathias Secondary School	70,000		-	70,000	70,000	-
6.8 Muyafwa Secondary School	70,000		-	70,000	70,000	-
6.9 Mabunge Secondary School	70,000		-	70,000	70,000	-
6.10 Lukonyi Boys Primary School	70,000		-	70,000	70,000	-
6.11 Buri burumba Secondary School	70,000		-	70,000	70,000	-
6.12 Munungo Primary School	70,000		-	70,000	70,000	-
Busia Highrise Const & General Supplies			959,880	959,880	959,880	-
7.0 Primary Schools Projects (List all the Projects)						
7.1 Esikulu Primary School	600,000			600,000	600,000	-
7.2 Buringala Primary School	224,290			224,290	224,290	-
7.3 Bulanda Primary School	600,000			600,000	600,000	-

*MATAYOS 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			
7.4 Bundesibala Primary School	1,265,618			1,265,618		1,265,618
7.5 Bukalama Primary School	800,000			800,000	800,000	-
7.6 Igero Primary School	600,000			600,000	600,000	-
7.7 Mundulusia Primary School	400,000			400,000	400,000	-
7.8 Khuduru Primary School	900,000			900,000	0	900,000
7.9 Busidibu Primary School	900,000			900,000	0	900,000
7.10 Busidibu Primary School	1,200,000			1,200,000	1,200,000	-
7.11 Nasira A.C Primary School	600,000			600,000	0	600,000
7.12 Lukonyi Boys Primary School	900,000			900,000	0	900,000
7.13 Siwongo Primary School	900,000			900,000	900,000	-
7.14 Busende Primary School	600,000			600,000	600,000	-
7.15 Nasira A.c Primary School	550,000			550,000	550,000	-
7.16 Bugengi Primary School			950,000	950,000	950,000	-
8.0 Secondary Schools Projects (List all the Projects)						
8.1 Buyosi Secondary School	1,000,000			1,000,000	1,000,000	-
8.2 Mundika Secondary School	1,000,000			1,000,000	1,000,000	-

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			
8.3 Budokomi Secondary School	1,500,000			1,500,000		1,500,000
8.4 Lwanya Girls Secondary School	12,000,000		14,000,000	26,000,000	21,000,000	5,000,000
8.5 Mundika Secondary School	25,000,000		19,000,000	44,000,000	36,900,000	7,100,000
8.6 OurLady of Mercy Secondary School	1,500,000			1,500,000	1,500,000	-
8.7 Bulanda Secondary School	1,150,000		1,150,000	2,300,000	0	2,300,000
8.8 Mabunge Secondary School	2,000,000			2,000,000	2,000,000	-
8.9 Busende Secondary School	600,000			600,000	600,000	-
8.10 Igero Secondary School	1,655,000			1,655,000	1,655,000	-
8.11 St. Mathias Secondary School	1,500,000			1,500,000	1,500,000	-
8.12 Igero Secondary School	100,000			100,000	100,000	-
8.13 Bulanda Secondary School	450,000			450,000	450,000	-
8.14 Buyende Secondary School	2,150,000		2,150,000	4,300,000	0	4,300,000
8.15 Muyafwa Secondary School	200,000			200,000	200,000	-
8.16 Busibwabo Secondary school			7,162,252	7,162,252	7,162,254	
9.0 Tertiary institutions Projects (List all the Projects)						
9.1 Dr.Daniel Wako Technical & Vocational training Center	2,000,000			2,000,000	2,000,000	-

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget-utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
9.2 Kenya Medical Training College-Busia campus	1,167,950			1,167,950	1,167,950	-
10.0 Security Projects						
10.1 Bukhayo West Chiefs Office	1,748,144			1,748,144	0	1,748,144
10.2 Burumba Police Post	400,000			400,000	400,000	-
10.3 Assistant Chiefs Office Murende	682,438			682,438	682,438	-
10.3 Assistant Chiefs Office Mabunge	277,352.80			277,353	277,352	1
10.4 Korinda Police Station	4,200,000			4,200,000	0	4,200,000
10.5 Office of the County Criminal investigation officer	300,000			300,000	300,000	-
10.1 Bukhayo West Chiefs Office	1,748,144			1,748,144	0	1,748,144
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						

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
12.2 Innovation Hub						
12.2 Mundika Assistant Chiefs Office	500,000			500,000		500,000
Rerec	2,000,000			2,000,000	0	2,000,000
Total	137,088,879	26,884,208	49,838,878	213,811,965	167,004,221	46,507,744

(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-Matayos 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 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.

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B 096979		15,000,000
AIE NO. B 104643		19,000,000
AIE NO. A 823680		35,367,724
AIE NO. B 096611		9,000,000
AIE NO. B 119566		10,050,000
AIE NO. B 119957		12,000,000
AIE NO. B 128198		6,900,000
AIE NO. B 129400		7,000,000
AIE NO. B 132253		6,000,000
AIE NO. B 138922		12,000,000
AIE NO. B 126215		7,000,000
AIE NO. B 105010		11,600,000
AIE NO. B 140653		12,000,000
AIE NO. B 105205	33,000,000	
AIE NO. B 105508	44,000,000	
AIE NO. B 105865	22,000,000	
AIE NO. B 128616	5,000,000	
AIE NO. B 128929	12,000,000	
AIE NO. B 154126	12,000,000	
AIE NO. B 164357	18,000,000	
AIE NO. B 155888	10,088,879	
AIE NO. A 888981	800,000	
AIE NO. A 888960	3,950,000	
AIE NO. A 888530	14,000,000	
TOTAL	174,838,879	162,917,724

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2. Proceeds From Sale of Assets

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

3. Other Receipts

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

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,239,120	4,019,338
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	2,505,911	-
Employer Contributions Compulsory national social security schemes	305,280	272,520
National Hospital insurance Fund	153,600	-
Total	7,203,911	4,291,858

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Notes To the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	714,101	2,496,000
Utilities, supplies and services	20,000	320,000
Communication, supplies and services	-	572,460
Domestic travel and subsistence		220,168
Printing, advertising and information supplies & services	697,603	268,000
Rentals of produced assets	0	-
Training expenses	2,602,270	1,131,500
Hospitality supplies and services		234,000
Other committee expenses	1,381,309	204,000
Committee allowance	0	1,020,000
Insurance costs	0	-
Specialized materials and services	895,600	204,600
Office and general supplies and services		215,000
Other operating expenses		568,259
Routine maintenance – vehicles and other transport equipment	834,154	170,000
Routine maintenance – other assets	712,500	0
Other operating expenses		0
Bank service commission and charges	0	0
Other Operating Expenses	0	-
Security operations	0	-
Routine maintenance - vehicles and other transport equipment	555,550	0
Routine maintenance- other assets	128,100	0
TOTAL	8,514,187	7,623,987

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Notes to The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	10,884,290	26,062,415
Transfers To Secondary Schools (See Attached List)	75,067,254	35,164,145
Transfers To Tertiary Institutions (See Attached List)	3,167,950	2,000,000
Total	89,119,494	63,226,560

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	44,453,500	33,147,500
Bursary – tertiary institutions (see attached list)	7,585,323	11,755,600
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmers (NHIF)	-	-
Security projects (see attached list)	1,959,791	7,858,535
Sports projects (see attached list)	2,999,600	-
Environment projects (see attached list)	1,799,880	-
Emergency projects (see attached list)	3,941,540	6,979,107
Total	62,139,633	59,740,742

8. Acquisition Of Assets

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

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Total	-	-
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Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	1,999,100
ICT Hub	-	-
		-
	-	1,999,100

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
<i>Equity Bank , BUSIA Branch . MATAYOS NG-CDF A/C no.0780266047486</i>	34,418,866	26,884,208
Equity Bank	-	-
	-	-
Total	34,418,866	26,884,208
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

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>
		Kshs	Kshs	Kshs
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
Total		-	-	-

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Notes to the Financial Statement Continued

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

12B. Gratuity

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

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	26,884,208	848,731
Cash in hand		
Imprest		
Total	26,884,208	848,731

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Notes To the Financial Statements (Continued)

14. Prior Year Adjustments

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

** 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)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A	-	-

16. Changes in Accounts Payable – Deposits and Retentions

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

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

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

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	1,410,013	638,529
Use of goods and services	168	204,634
Amounts due to other Government entities (see attached list)	26,036,059	42,162,250
Amounts due to other grants and other transfers (see attached list)	19,061,500	42,072,552
Acquisition of assets		
Funds pending approval		5,260,000
Total	46,507,740	90,337,965

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	4,093,447	12,626,715
Total	4,093,447	12,626,715

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Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	Comments
Compensation of employees	Pay staff salaries	1,413,443	762,387	
Use of goods & services	To cater for office expenses		3,762	
Compensation of employees	Pay staff salaries		638,529	
Use of goods & services	To cater for office expenses		204,634	
Amounts due to other Government entities				
Bunesibala Primary School	Completion of three classrooms Flooring, tiling, glazing, electrical works, and painting to completion	1,265,618		
Lukonyi Boys Primary School	Construction of one Classroom to completion	900,000		
Nasira A.C Primary School	Renovation of 4 classrooms Completion of labour based flooring, Plastering, fixing of windows, doors and painting	600,000		
Lwanya Girls Secondary	Construction of a story administration block consisting of five offices, staffroom, computer with capacity of 40 students and a library phase 1:from suspended slab to roofing	5,000,000		
Busidibu Primary School	Construction of one classroom to completion	900,000		
Khuduru Primary School	Construction of one classroom to completion	900,000		
Budokomi Secondary School	Construction of a 100	1,500,000		

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	capacity Laboratory from slab to roofing			
Bulanda Secondary School	Renovation of 4 classrooms to completion labour based flooring, plastering ,fixing of windows, doors and painting to completion	2,300,000		
Buyende Secondary School	Balance to complete purchase of 4.5 acre land and title processing	4,300,000		
Buyosi Secondary School	Purchase of one acre land for school expansion and title processing	1,000,000		
Mabale Primary School	Completion of twin classrooms Painting, Floor and Screeding		700,000	
Busibwabo Secondary School	Purchase of a 51 Seater Isuzu bus. The bus will be bought on a one-off basis and it excludes any asset financing.		7,162,250	
Lwanya Secondary School	Construction of a storey Administration Block consisting of 5 offices, staff room, computer room with capacity of 40 computers and a library up to suspended slab level		14,000,000	
Mundika Secondary School	Construction of a 2000 capacity Multipurpose Hall Consisting of dining/conference hall, kitchen, 2 offices and 3 stores 1; slab and columns	7,100,000	19,000,000	

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Dr. Daniel Wako Technical & Vocational Training Centre	Construction of a 100 students capacity dining hall up to walling	(236,900)	1,300,000	
Sub-Total		26,036,059	43,005,413	
Amounts due to other grants and other transfers				
Bursary	Payment of Bursary to needy students in secondary schools and tertiary institutions		29,317,868	
Bugengi Assistant Chiefs Office	Completion of Ass. Chiefs Office consisting of reception, a 20 capacity boardroom and two offices; Walling, roofing, doors, and windows		500,000	
Korinda Police Station	Additional funds for construction of korinda Poice station consisting of two offices and two cells walling, roofing and fixing of windows and doors	4,200,000		
Maduwa Police Post	Construction of police cells, partitioning of offices, electricity and water connection		800,000	
Matayos Police Division	Construction of 6 No Police dwelling Units, 1 Bedroom and Shared bathroom		800,000	
Matayos Police Division	Construction of an office block comprising of 2 offices to completion		1,200,000	
Burumba Police Post	Ongoing construction of Office consisting of 6 units;		800,000	

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	roofing, shutters and plastering			
Burumba Police Post	Completion of office consisting of 6 units Plastering, flooring, glazing, electrical works and painting to completion	400,000		
Mundika Assistant Chief		500,000		
Social Security	Towards provision of medical insurance cover for vulnerable families including Orphans and vulnerable children(OCV's)poor older persons, persons with Disabilities and destitute families in partnership with NHIF as shall be identified within the constituency for 1,0000 beneficiaries each at Kshs.6,000	6,000,000		
Bukhayo West Chiefs Office	Completion of Administration Police Line consisting of 10 units of security staff and one office in charge house-plastering, flooring, glazing, electrical Works, and painting to completion	1,748,000		
Assistant Chief Office Mabunge	Completion of Chiefs office consisting of two offices and Boardroom Plastering, flooring, glazing, electrical works and painting to		1	

	completion			
Environment activity	Purchase and installation of Water Tanks for water harvesting 10,000 litres for; Bugengi Special School, Lwanya Special School, Alungoli Secondary School, Siteko Primary School, Mundika Secondary School, Busende Secondary School, Lunga Secondary School, Busidibu Special School, Esirisia Primary School, Bukalama Primary School, Buriangi Primary School and Siwongo Primary School		2,161,200	
Sports activity	To carry out a constituency sports tournament where the winning teams will be awarded with balls, uniforms and trophies		2,857,543	
Emergency	To cater for any unforeseen occurrences in the constituency during the year		3,635,941	
Unutilised		5,007,413		
Sub-Total		19,061,500	42,072,552	
Funds pending approval			5,260,000	
Grand Total		46,507,740	90,337,965	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	1,200,000			1,200,000
Buildings and structures	23,823,780			23,823,780
Transport equipment	4,500,000			4,500,000
Office equipment, furniture and fittings	3,537,225			3,537,225
ICT Equipment, Software and Other ICT Assets	1,538,995			1,538,995
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	34,600,000			34,600,000

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

PMC	Bank	Date of A/C Opening	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Khuduru Primary School	KCB Bank	26-10-2016	1201412129	4,015	4,015
Lwanya Primary School	KCB Bank	06-11-2013	1146746466	4,848	5,024
Mundika Boys Primary School	KCB Bank	06-11-2013	1146745567	1,968	2,094
St. Joseph Girls Primary School	KCB Bank	05-11-2020	1280238860	3	(1,126)
Buyosi Secondary School	KCB Bank	14-10-2020	1279392223	523	649
Mabunge Secondary School	KCB Bank	26-04-2017	1209076608	3,555.90	3,682
Mayenje Secondary School	KCB Bank	23-11-2015	1176735683	3,034	3,160
Our Lady Of Mercy Secondary School	KCB Bank	10-09-2019	1264226020	97,612	1,688
Bugengi Primary School	KCB Bank	06-09-2019	780299213792	410,229.70	762,400
Bugengi Special School	KCB Bank	05-09-2019	780279211346	900	20
Burumba Primary School	KCB Bank	06-11-2013	780261655459	5354.20	761,765
Busendebala Primary School	Equity Bank	11-09-2019	780279227905	31,827	780,080
Busibwabo Primary School	Equity Bank	05-09-2019	780279210139	-	-
Busidibu Special School	Equity Bank	05-09-2019	780279234066	1,728.70	777,003
Busidibu Primary School	Equity Bank	05-09-2019	780279210139	-	340
Buyama Primary School	Equity Bank	11-09-2019	780279226591	430	430
Esikulu Primary School	Equity Bank	09-09-2019	780279219776	3480	80
Igero Primary School	Equity Bank	07-06-2021	780280952616	1705	444,755

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PMC	Bank	Date of A/C Opening	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Indoli Primary School	Equity Bank	11-03-2021	780280704618	2070	4,015
Lukonyi Primary School	Equity Bank	14-02-2020	780279647087	960	5,024
Luliba Primary School	Equity Bank	12-09-2019	780279233038	470	2,094
Lunga Primary School	Equity Bank	21-03-2019	780278696288	3620	(1,126)
Lwanya Special School	Equity Bank	21-10-2020	780280210029	1840	649
Mabale Primary School	Equity Bank	06-11-2013	780261655215	9590	3,682
Mabunge Primary School	Equity Bank	29-05-2021	780280929096	7012.45	3,160
Mujuru Primary School	Equity Bank	09-01-2020	780279531654	1230	1,688
Mundulusia Primary School	Equity Bank	10-09-2019	780279223226	3380	762,400
Murende Primary School	Equity Bank	26-05-2021	780280919012	1620	20
Nambere Primary School	Equity Bank	27-10-2016	780270362773	27.50	761,765
Nasewa Primary School	Equity Bank	11-03-2020	780279718812	1244	780,080
Nasira A.C Primary School	Equity Bank	19-06-2021	780280992564	236,887.45	-
Siteko Primary School	Equity Bank	05-09-2019	780279210357	1852.70	777,003
St. Eugene Primary School	Equity Bank	05-11-2020	780280258537	1620	340
Busende Secondary School	Equity Bank	08-06-2021	780280957202	294	430
Buyende Secondary School	Equity Bank	06-04-2020	780279767064	999,703	80
Igero Secondary School	Equity Bank	11-09-2019	780279226695	3216	444,755
Assistant Chief Mujini	Equity Bank	06-11-2013	780261655312	703.50	2,070

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PMC	Bank	Date of A/C Opening	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Assistant Chiefs Office Lunga	Equity Bank	06-08-2010	780279647087	3724.25	394,940
Assistant Chiefs Office Murende	Equity Bank	11-04-2020	780279233038	82,933	470
Bugengi Ass Chief Office	Equity Bank	11-04-2020	780278696288	6.40	3,620
Bukhayo West Chiefs Office	Equity Bank	06-11-2013	780200210029	1027.50	300,020
Burumba Police Post	Equity Bank	05-09-2019	780261655215	2195	288,650
DCC Matayos Pmc	Equity Bank	06-09-2021	780280929096	987.50	599,500
Lwanya Chiefs Office	Equity Bank	11-09-2019	780279531654	520	1,230
Dr. Daniel Wako TTI	Equity Bank	23-12-2019	780279223226	75,907.05	3,380
Bugengi Ass Chief Office	Equity Bank	11-05-2020	780279812064	6.40	778,620
Bukhayo West Chiefs Office	Equity Bank	06-11-2013	0780261655272		284,088
Burumba Police Post	Equity Bank	23-12-2019	780279718812		1,244
DCC Matayos Pmc	Equity Bank	11-05-2020	780279713781	987.50	988
Lwanya Chiefs Office	Equity Bank	06-11-2013	780279266778	520	520
Dr. Daniel Wako TTI	Equity Bank	23-12-2019	7802799492531	75,907.05	179
Lwanya Girls Secondary School	Family Bank	07-02-2014	79000025712	553,791	1,027,140
Esirisia Primary School	Family Bank	20-11-2013	79000025408	514	514
Buyende Primary School	Family Bank	27-11-2013	79000025488	168.67	(168)
Mundika Special School	Family Bank	20-11-2013	79000025410	(19.99)	(19)
Nang'oma Primary School	Family Bank	23-10-2014	79000027123	4,189.20	4,189

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PMC	Bank	Date of A/C Opening	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Nasira Primary School (R.C)	Family Bank	20-1-2013	79000025405	384	384
Alungoli Primary School	National Bank	10-09-2019	1242037192700	3,515.17	313,698
Buderie Primary School	National Bank	06-09-2019	1242038202200	620	620
Bukalama primary School	National Bank	05-09-2019	1022036652600	22,354	6,263
Bulanda Primary School	National Bank	06-11-2013	1242037196700	8,163	8,151
Buringala Primary School	National Bank	11-09-2019	1242037194300	239,158	73,447
Mayenje Primary School	National Bank	05-09-2019	1022037199400	12,058	352,531
Mundika Girls Primary School	National Bank	05-11-2020	1047036524600	70	70
Muyafwa Primary School	National Bank	08-06-2021	1022036903800	2,205	2,205
Siwongo Primary School	National Bank	06-04-2020	1047018009800	17,201	260
Mundika Secondary School	National Bank	11-09-2019	1242037199300	36,251.54	110,470
Esirisia Secondary School	National Bank	06-11-2013	1242037613800	1,070.97	1,071
St. Matias Secondary School	National Bank	06-08-2010	1242037200600	888,173.65	1,014,454
Lunga Secondary School	National Bank	11-04-2020	1242037680601	2,286.86	2,287
St Augustine Nasira Secondary School	National Bank	23-12-2019	1021036760200	-	195,680
St Jude Nangoma Secondary School	National Bank	11-05-2020	1242038172501	2,088	22,088
Mabunge Assistant. Chiefs Office	National Bank	06-11-2013	1021230745900	2,814.80	626
Burumba Secondary School	Sidian Bank	1-07-2020	1032030000135	10,134	10,134
Budokomi Secondary School	Sidian Bank	1-07-2020	1032030000095	137,453	137,453
Bukomi Primary School	Co-op Bank	11-04-2020	013923593570		2,760

PMC	Bank	Date of A/C Opening	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Khuduru Primary School	Equity Bnk	05-11-2020	0780279223002	2,440	2,620
Khuduka Primary School	Equity Bank	08-06-2021	0780279223003	-	260
Murende Secondary School	KCB Bank	06-04-2020	11529343309		433
St.Peters Budokomi sec. School	KCB	11-09-2019	1174535342		289
St.Mary's mundika High School	NBK Bank	05-11-2020	01242037199300	36,35.54	237,164
Alungoli Secondary School	Sidian Bank	11-09-2019	010323000085	316	316
St.Paul Mabunge Sec School	EquityBank	05-09-2019	0780279235110	1180	14,760
St.Jude Nangoma Secondary	Equity Bank	05-11-2020	078027754327	51,591.50	52,104
TOTAL				4,093,447	12,626,715

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
REPORT ON FINANCIAL STATEMENTS					
Other Matter					
1	Presentation of the Financial Statements				
	The progress on follow up of auditor recommendations included in the financial statements is not signed by the accounting officer contrary to the Public Sector Accounting Standard Board (PSASB) template issued in June, 2020 which requires the same to be signed by the accounting officer. In the circumstances, the accuracy of the financial statements is in doubt.	The financial statement has been signed and stamped	Fund Account Manager	Resolved	30 th June 2021
2	Cash and Cash Equivalents - Stale Cheques				
	The statement of assets and liabilities shows a cash and cash equivalents balance of Kshs.848,731. The bank reconciliation statement provided in support of this balance shows total unrepresented cheques of Kshs.658,720 which include stale cheques totalling Kshs.550,535 which are not payable and have not been reversed in the cash	The management has corrected the error to read the correct figure. The cheques have been reversed in the cash book.	Fund Account Manager	Resolved	31 st October 2021

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>book as at 30 June, 2020. This means that the cash and cash equivalents balance is understated by a similar amount.</p> <p>In the circumstances, it was not possible to ascertain the accuracy and completeness of the cash and cash equivalents balance as at 30 June, 2020.</p>				
3.	<p>Other Matter</p> <p>1. Budgetary Control and Performance</p>				
	<p>The summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2019 shows that the Fund had budgeted receipts of Kshs.199, 676,060 against actual receipts of Kshs.126, 008,337. This shows that the Fund had under-collection of receipts of Kshs.73, 667,723 or 37% of budgeted receipts.</p> <p>Further, during the year under review, the Fund had an approved expenditure budget of Kshs.199,676,060 against actual total expenditure of Kshs.124,017,606 resulting to an under absorption of Kshs.75,658,455 or 62% of the budgeted amount.</p> <p>The under-collection of receipts and under expenditure is an indication that services and</p>	The management did not receive the funding from the NGCDF Board	Fund Account Manager	Not resolved	31 st October 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	approved projects/programmes were not delivered to the residents of Matayos Constituency and therefore the budget did not meet the intended objectives of improving the service delivery or the management may have over budgeted on its activities.				
3	Project Performance				
	<p>The statement of assets and liabilities shows a cash and cash equivalents balance of Kshs.848,731. The bank reconciliation statement provided in support of this balance shows total unrepresented cheques of Kshs.658,720 which include stale cheques totalling Kshs.550,535 which are not payable and have not been reversed in the cash book as at 30 June, 2020. This means that the cash and cash equivalents balance is understated by a similar amount.</p> <p>In the circumstances, it was not possible to ascertain the accuracy and completeness of the cash and cash equivalents balance as at 30 June, 2020.</p>	The management has so far been corrected in the statement of asset and liabilities. The cheques have so far been reversed and the cash and cash equivalent have been restated	Fund Account Manager	Resolved	31st October 2022
4	Incomplete and Stalled Water Project at Daniel Wako Technical Training Institute				

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>As disclosed in Note 4 to the financial statements, the statement of receipts and payments shows an amount of transfers to other government entities of Kshs.79, 689,364 which includes an expenditure on transfers to tertiary institutions totalling to Kshs.8, 627,197. Among the projects implemented by the Fund was the construction of an elevated water tank and community water kiosk at Dr. Daniel Wako Technical Training Institute at a total cost of Kshs.1, 746,092. However, a physical verification carried out, revealed that the water project had not been completed as expected with one water tank with a 10,000-liter capacity not installed, and the community water Kiosk had not been constructed.</p> <p>In the circumstances, it was not possible to ascertain whether value for money was achieved from the expenditure of Kshs.1, 746,092 on the project.</p>	<p>The management confirms that the water tank and the borehole were already installed and the kiosk constructed. The borehole developed some technical problems which the contractor will repair as the warranty period has not elapsed. The KPLC also is on the verge of connecting a 3 phase electrical supply. A follow-up has been done.</p>	<p>Fund Account Manager</p> <p>And respective head of institutions</p>	Not Resolved	31st October 2022

Kevin O. McAkech

.....
 Name
 Fund Account Manager.