

REPUBLIC OF KENYA



Enhancing Accountability

REPORT
THE NATIONAL ASSEMBLY
P/ 2
DATE: 09 AUG 2023 DAY: WED
Tabled BY: Hon Owen Bayey MP
Clerk-at-Table: Deputy Leader, majority
Miriam Mudo

PARLIAMENT OF KENYA LIBRARY

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - KIENI
CONSTITUENCY**

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

Revised Template 30th June 2022



KIENI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

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

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





Kieni 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

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 Kieni 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	Jessi Mathu
2.	Sub-County Accountant	Erick Kiambi
3.	Chairman NGCDFC	James Maina
4.	Member NGCDFC	Dickson Ndirangu

(d) Fiduciary Oversight Arrangements

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

(e) Kieni Constituency NGCDF Headquarters

P.O. Box 127 Mweiga
NGCDF Office Building
Nyeri/ Nyahururu Road
Nyeri, KENYA

(f) Kieni Constituency NGCDF Contacts

Telephone: (254) 725758965
E-mail: cdfkieni@ngcdf.go.ke
Website: www.go.ke

(g) Kieni Constituency NGCDF Bankers

Equity Bank

Nyeri Branch

0110297244437

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

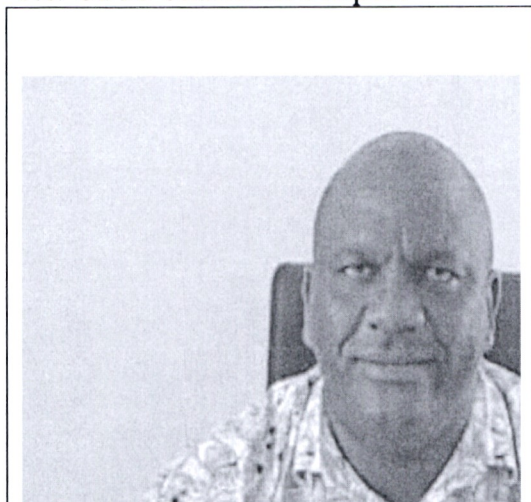
Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

II. NG-CDFC Chairman's Report

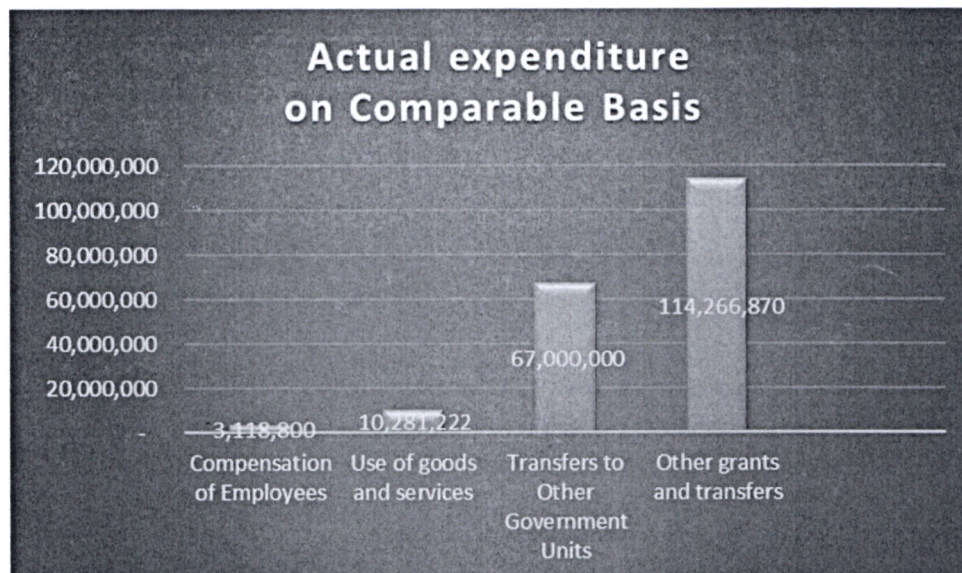


James Maina - NGCDFC chairman

It is my great pleasure to present the annual report and financial statement prepared in accordance with the cash basis of accounting method under the international public sector accounting standard (IPSAS) for the year ended 30th June 2022.

Kieni NG-CDF expected a total budget of Kshs. 226,178,335. The constituency, actual budget was Kshs. 216,159,931. This is 96% out of the expected budget which is an improvement from the previous year performance of 85%.

Out of the funds available, Kieni NGCDF had an expenditure totalling Kshs. 194,666,892. This was 86% of the total budget funds available.



Kieni Constituency

National Government Constituencies Development Fund (NGCDF)

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

The projects implemented are as follows:



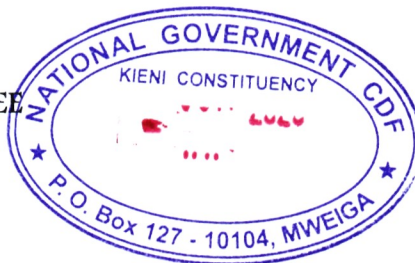
MWIYOGO PRIMARY SCHOOL CLASSROOM CONSTRUCTION



MUTHUINI ASSITANT CHIEFS OFFICE BLOCK

James Maina

Name: James Maina
CHAIRMAN NGCDF COMMITTEE



III. Statement Of Performance Against Predetermined Objectives for FY2021/22

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of *Kieni Constituency 2018-2022* plan are to:

- a) To improve education performance at all levels of education in academic and co - curricular activities
- b) To support equity and inclusiveness in development
- c) To enhance security of the constituents through multi stakeholders pronged approaches
- d) To harness the potential of the vulnerable groups in combating un employment
- e) To integrate ICT in development initiatives
- f) To assist in environment management and conservation program

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 improve education performance at all levels of education in academic and co-curricular activities	Increased enrolment and retention in primary schools and improved transition to secondary schools and tertiary institutions and improved school performance	number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 21/22 we supported 32 primary schools, 12 secondary schools to construct of classrooms, laboratories, administration offices and multipurpose halls
			number of bursary beneficiaries at all levels	in FY 21/22 through Bursary fund we supported over 9,000 students secondary schools, over 2,000students in tertiary, secondary and over 200 students in special schools

Kieni Constituency

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Security	To enhance security of the constituents through multi stakeholders pronged approaches	Improved security which provides conducive environment for the constituents undertake their economic activities	number of physical infrastructure supported under administration and security docket	During the year we supported 5 projects under rural electrification, purchase of furniture to all the 36 assistant chiefs offices, and construction of 24 new offices blocks for the officers
Environment	To assist in environment management and conservation program	Improved conservation and management of the environment in the constituency	number of physical infrastructure supported assist in conservation and management of the environment	During the year we supported 9 projects under this sector to harvest and store rain water in the respective projects
Disaster Management	To support management of unforeseen occurrences in the constituency	Enhanced management of the disasters and emergencies that occur within the constituency	Number of projects and programs undertaken to support any emergency occurrence	14 institutions were supported to assist in management of emergencies occurring from the heavy rains and effects of covid-19 within the constituency
Social economic empowerment	To harness the potential of the vulnerable groups in combating unemployment and ensuring equity and inclusiveness in development	Increased employment opportunities for the vulnerable groups	percentage of compliance to the award of tenders to the youth, women and the persons living with disabilities	During the year the constituency awarded 35% of its tender to the groups under AGPO certificates

IV. Environmental and Sustainability Reporting

Kieni NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Kieni NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

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

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

2. Environmental performance

- During the constituency sports tournaments comprising of volleyball and football the NG-CDFC sensitized the participants and the community at large on drugs and substance abuse.
- NG-CDF, Kieni Constituency, often sensitizes the PMC on proper environment conservation: planting of environmental friendly trees, inclusion of water harvesting and storage facilities and storm water control measures like construction of gabions during project implementation

3. Employee welfare

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

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of

movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kieni NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and

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

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.

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



Jessi Mathu
Fund Account Manager



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-Kieni 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 30th, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

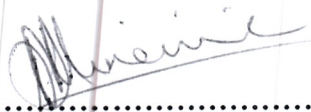
The Accounting Officer in charge of the NGCDF-Kieni Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kieni 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.

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

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

Approval of the financial statements

The NGCDF- Kieni Constituency financial statements were approved on 23rd August, 2022 and signed by:



.....
Name: James Maina
Chairman – NGCDF Committee



.....
Name: Jessi Mathu
Fund Account Manager



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIENI 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

Opinion

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

Report of the Auditor-General on National Government Constituencies Development Fund - Kieni Constituency for the year ended 30 June, 2022

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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kieni Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kieni 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 opinion.

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation for the year ended 30 June 2022 reflects an expenditure budget of Kshs.225,939,743 against an actual expenditure of Kshs.199,355,996 resulting to an under-expenditure of Kshs.26,583,747 or 12% of the approved budget.

In the circumstances, planned activities may not have been carried out as planned due to the underperformance impacting negatively on service delivery to public

2.0 Unresolved Prior Year Matters

As previously reported in the financial year 2020/2021, matters raised in the audit report were indicated as resolved in Annex 6 Progress on follow up on prior year audit recommendations. However, no information was provided to indicate if the matters were resolved or not as at 30 June, 2022.

In the circumstances, the matters remain unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Delayed Construction of Schools' Infrastructures

Note 6 to the financial statement reflects Kshs.67,000,000 in respect to transfers to other Government units, which includes Kshs.42,000,000 and Kshs.25,000,000 in respect to transfer to primary and secondary schools respectively, which further includes Kshs.6,200,000 disbursed to various project management committees on diverse dates for construction of various schools' infrastructures.

However, as at the time of audit in March 2023, more than eight (8) months after the funds were disbursed, the projects had not been started.

In the circumstances, the value for money for Kshs.6,200,000 disbursed in the year ended 30 June, 2022 could not be confirmed.

2.0 Other Grants and Other Transfers

2.1 Delayed Residence Renovation and Construction of Offices

Note 7 to the financial statements reflects Kshs.118,912,180 in respect of other grants and other transfers which includes Kshs.53,600,000 in respect to security projects which further includes Kshs.11,000,000 disbursed for renovation of residence of DCC's Kieni East at Kshs.1,000,000 and construction of four (4) roomed offices at Kshs.2,000,000 per office for five (5) assistants chiefs of Kirima, Gikamba, Gakawa, Kimunyuru, and Maragima administrative areas. However, as at the time of audit in March, 2023 which was more than eight (8) months after closure of the financial year and transfer of funds, the projects had not been started.

In the circumstances, the value for money for Kshs.11,000,000 disbursed in the year ended 30 June, 2022 could not be confirmed.

2.2 Delayed Installation of Electricity

Note 7 to the financial statements reflects Kshs.118,912,180 in respect of other grants and other transfers which includes Kshs.53,600,000 in respect to security projects, which further includes Kshs.5,000,000 paid to Rural Electrification Authority to supply and install transformers through matching fund at Kieni KMTC, Aguthi Ha Mukurino, Kabati Sikai Sana, Lamuria Bishop Muthoga and Kirinyaga Dishon Weru at Kshs.1,000,000 per designated area. However, as at the time of audit in March, 2023, more than twelve

months after the payments were made, the transformers had not been supplied and installed.

In the circumstances, the value for money for Kshs 5,000,000 spent on the electrification project could not be confirmed.

3.0 Unserviceable Motor Grader

Annex 4 to the financial statements reflects a balance of Kshs.54,083,285 in respect of historical cost of fixed assets as at 30 June, 2022 which includes Kshs.21,310,389 in respect of assets classified as unserviceable in the assets register.

Included in the amount of Kshs.21,310,389 is an amount of Kshs.18,005,520 in respect of unregistered Motor Grader shown as in use but no evidence was provided to show the grader was in operation since year 2014. Further, the Fund vide Minute number 4 of 11 November, 2016 resolved to repair the grader at Kshs.1,966,200, but no evidence was provided to confirm that the grader was repaired and if it is operational thereafter.

It was not explained why the unserviceable assets including the grader have not been earmarked for disposal contrary to Section 163(1) of the Public Procurement and Assets Disposal Act, 2015 which states that an accounting officer shall establish a disposal committee as and when prescribed for the purpose of disposal of unserviceable, obsolete, obsolescent, or surplus stores, equipment or assets.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


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

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

- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 May, 2023

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

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

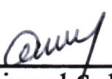
	Note	2021-2022	2020-2021
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,177,758	177,456,474
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		161,177,758	177,456,474
PAYMENTS			
Compensation of employees	4	3,118,800	3,039,876
Use of goods and services	5	10,325,016	10,632,013
Transfers to Other Government Units	6	67,000,000	51,600,000
Other grants and transfers	7	118,912,180	65,064,011
Acquisition of Assets	8	-	708,760
Other Payments	9	-	-
TOTAL PAYMENTS		199,355,996	131,044,660
SURPLUS/DEFICIT		(38,178,238)	46,411,814

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 23rd August, 2022 and signed by:

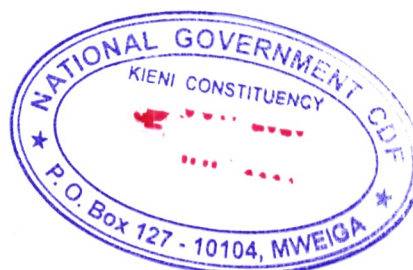

 Fund Account Manager

Name: Jessi Mathu


 National Sub-County
 Accountant
 Name: Eric Kiambi
 ICPAK M/No: 15276


 Chairman NG-CDF Committee

Name: James Maina



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

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

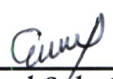
	Note	2021-2022 Kshs	2020-2021 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	16,502,267	54,743,581
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		16,502,267	54,743,581
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		16,502,267	54,743,581
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		16,502,267	54,743,581
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	54,743,581	7,131,797
Prior year adjustments	14	(63,076)	1,199,970
Surplus/Defict for the year		(38,178,238)	46,411,814
NET FINANCIAL POSITION		16,502,267	54,743,581

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

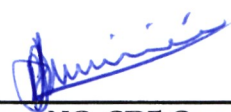
The Constituency financial statements were approved on 23rd August, 2022 and signed by:


 Fund Account Manager

Name: Jessi Mathu


 National Sub-County
 Accountant

Name: Eric Kiambi
 ICPAK M/No: 15276


 Chairman NG-CDF Committee

Name: James Maina



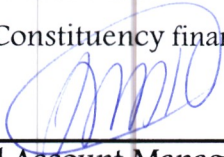
Kieni Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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

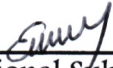
		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,177,758	177,456,474
Other Receipts	3	-	-
		161,177,758	177,456,474
Payments for operating activities			
Compensation of Employees	4	3,118,800	3,039,876
Use of goods and services	5	10,325,016	10,632,013
Transfers to Other Government Units	6	67,000,000	51,600,000
Other grants and transfers	7	118,912,180	65,064,011
Other Payments	9	-	-
		199,355,996	130,335,900
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	(63,076)	1,199,970
Net Adjustments		(63,076)	1,199,970
Net cash flow from operating activities		(38,241,314)	48,320,544
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(708,760)
Net cash flows from Investing Activities		-	(708,760)
NET INCREASE IN CASH AND CASH EQUIVALENT		(38,241,314)	47,611,784
Cash and cash equivalent at BEGINNING of the year	13	54,743,581	7,131,797
Cash and cash equivalent at END of the year		16,502,267	54,743,581

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 23rd August, 2022 and signed by:


 Fund Account Manager

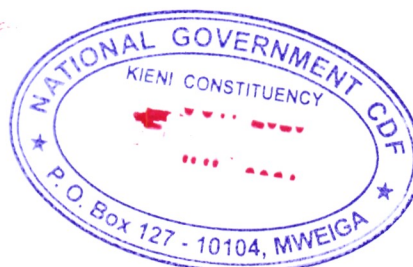
Name: Jessi Mathu


 National Sub-County
 Accountant

Name: Eric Kiambi
 ICPAK M/No:15276


 Chairman NG-CDF Committee

Name: James Maina



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

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

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
		a	b				
RECEIPTS							
Transfers from NG-CDF Board	137,088,879	54,743,581	34,107,283	225,939,743	215,921,339	10,018,404	96%
Proceeds from Sale of Assets				0	-	-	0%
Other Receipts				0	-	-	0%
TOTAL RECEIPTS	137,088,879	54,743,581	34,107,283	225,939,743	215,921,339	10,018,404	96%
PAYMENTS							
Compensation of Employees	3,850,000	1,018,767	80,000	4,948,767	3,118,800	1,829,967	63%
Use of goods and services	8,487,999	2,514,321	12,866	11,015,186	10,325,016	690,170	94%
Transfers to Other Government Units	48,200,000	29,300,000	3,500,000	81,000,000	67,000,000	14,000,000	83%
Other grants and transfers	76,050,880	21,910,493	30,514,417	128,475,790	118,912,180	9,563,610	93%
Acquisition of Assets	500,000			500,000	-	500,000	0%
Other Payments	0			0	-	-	0%
TOTAL	137,088,879	54,743,581	34,107,283	225,939,743	199,355,996	26,583,747	88%

(a) Below is commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)

- i. Underutilization on the compensation of employees is due unutilized gratuity, to be paid at the end of the contract
- ii. Underutilization on the transfer to other government units relates to unutilized funds to other government entities requiring approval for reallocation and amount to KMTIC awaiting approval by the client on the drawings

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	26,583,747
Less undisbursed funds receivable from the Board as at 30th June 2022	10,018,404
Add Accounts payable	16,565,343
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-63076
Cash and Cash Equivalents at the end of the FY 2021/2022	16,502,267

The Constituency financial statements were approved on 23rd August, 2022 and signed by:


Fund Account Manager

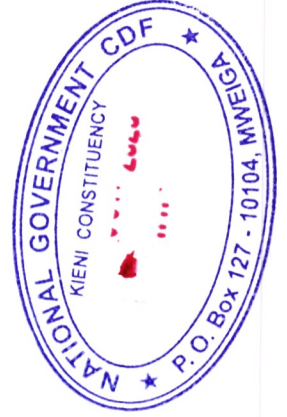
Name: Jessi Mathu


National Sub-County Accountant

Name: Eric Kiambi
ICPAK M/No: 15276


Chairman NG-CDF Committee

Name: James Maina



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

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

Programme/Sub-programme	Original Budget(a)		Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
	2021/2022	Kshs	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
1.0 Administration and Recurrent								
1.1 Compensation of employees	3,850,000		1,018,767	80,000	4,948,767	3,118,800	1,829,967	63
1.2 Committee allowances	1,600,000		567,000	-	2,167,000	2,124,700	42,300	98
1.3 Use of goods and services	2,775,333		1,086,264	12,866	3,874,463	3,452,990	421,473	89
Total	8,225,333		2,672,031	92,866	10,990,230	8,696,490	2,293,740	79
2.0 Monitoring and evaluation								
2.1 Capacity building	1,500,000		193,856	-	1,693,856	1,634,400	59,456	96
2.2 Committee allowances	1,000,000		556,000	-	1,556,000	1,482,750	73,250	95
2.3 Use of goods and services	1,612,666		111,201	-	1,723,867	1,630,176	93,691	95
Total	4,112,666		861,057	-	4,973,723	4,747,326	226,397	95
3.0 Emergency								
3.1 Primary Schools					-		-	-
3.2 Secondary schools					-		-	-
3.3 Tertiary institutions					-		-	-

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

Thungari Assistant Chiefs Office	300,000	-	-	-	300,000	300,000	-	100
Burguret Asst chief office	-	265,000	-	-	265,000	-	265,000	-
Nairutia police station	-	265,000	-	-	265,000	-	265,000	-
Gatei Assistant Chiefs Office	-	-	265,000	-	265,000	265,000	-	100
Warazo Location Chiefs Office	-	-	265,000	-	265,000	265,000	-	100
Total	2,400,000	530,000	530,000	530,000	3,460,000	2,630,000	830,000	76
7.0 Primary Schools Projects								
Bondeni Primary School	2,000,000	-	-	-	2,000,000	2,000,000	-	100
Charity Primary School	500,000	-	-	-	500,000	500,000	-	100
Igathu Primary School	1,500,000	-	-	-	1,500,000	1,500,000	-	100
Ikumari Primary School	1,000,000	-	-	-	1,000,000	1,000,000	-	100
Kiahuria Primary School	500,000	-	-	-	500,000	500,000	-	100
Kimahuri primary School	700,000	-	-	-	700,000	700,000	-	100
Macharia Primary School	1,500,000	-	-	-	1,500,000	1,500,000	-	100
Mapema Primary School	2,500,000	-	-	-	2,500,000	2,500,000	-	100
Mugunda Primary School	1,000,000	-	-	-	1,000,000	1,000,000	-	100
Mwichiuri Primary School	1,000,000	-	-	-	1,000,000	1,000,000	-	100
Mwihoko Primary School	2,500,000	-	-	-	2,500,000	2,500,000	-	100
Mwiyogo Primary School	1,500,000	-	-	-	1,500,000	1,500,000	-	100

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

Njengu Primary School	1,500,000	-	-	1,500,000	1,500,000	-	100
Kabendera Primary school	1,500,000	-	-	1,500,000	-	1,500,000	-
Njengu Primary School	-	-	1,000,000	1,000,000	1,000,000	-	100
Amboni Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Chaka Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Gakanga Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Gatuamba Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Kamburaini primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Karicheni Primary School	-	3,200,000	-	3,200,000	3,200,000	-	100
Kiaragana Primary School	-	3,200,000	-	3,200,000	3,200,000	-	100
Kimahuri Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Mere Primary School	-	500,000	-	500,000	500,000	-	100
Munyu primary School	-	1,200,000	-	1,200,000	1,200,000	-	100
Mweiga Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Mwihwiri Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Naromoru Township Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Ndathi Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Ndunyugwathi Primary School	-	3,200,000	-	3,200,000	3,200,000	-	100
Warazo Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Wathituga Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100
Total	19,200,000	23,300,000	1,000,000	43,500,000	42,000,000	1,500,000	97

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

Kaaga assitant chiefs office	100,000				100,000	100,000	-	100
Kabaru chiefs office	100,000				100,000	100,000	-	100
Kabati assitant chiefs office	100,000				100,000	100,000	-	100
Kabendera location administration office	100,000				100,000	100,000	-	100
Kairi assitant chiefs office	100,000				100,000	100,000	-	100
Kamburaini assitant chiefs office	100,000				100,000	100,000	-	100
Karundas chiefs office	100,000				100,000	100,000	-	100
Kimunyuru Assistant Chiefs Office	100,000				100,000	100,000	-	100
Kimunyuru Assistant Chiefs Office	2,000,000				2,000,000	-	2,000,000	-
Kirimi assitant chiefs office	100,000				100,000	100,000	-	100
Manyatta assitant chiefs office	100,000				100,000	100,000	-	100
Maragima assitant chiefs office	2,000,000				2,000,000	2,000,000	-	100
Maragima assitant chiefs office	100,000				100,000	100,000	-	100
Mbiriri assitant chiefs office	100,000				100,000	100,000	-	100
Muthuini assistnat chiefs office	100,000				100,000	100,000	-	100
Mweiga assitant chiefs office	200,000				200,000	-	200,000	-
Mweiga assitant chiefs office	100,000				100,000	100,000	-	100
Nairutia police station	1,500,000				1,500,000	1,500,000	-	100
Narumoru assitant chiefs office	100,000				100,000	100,000	-	100

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

Ndathi Assitant chiefs office	100,000			100,000	100,000	-	100
Ndiriti Assitant chiefs office	100,000			100,000	100,000	-	100
Njengu assitant chiefs office	100,000			100,000	100,000	-	100
Ruirii assistant chiefs office	100,000			100,000	100,000	-	100
Thigi assitant chiefs office	2,000,000			2,000,000	2,000,000	-	100
Thigi assitant chiefs office	100,000			100,000	100,000	-	100
Thungari assistant chiefs office	100,000			100,000	100,000	-	100
Tigithi assitant chiefs	500,000			500,000	-	500,000	-
Tigithi assitant chiefs	100,000			100,000	100,000	-	100
Warazo jet assistant chiefs office	100,000			100,000	100,000	-	100
Wasanyiro Assitant chiefs office	100,000			100,000	100,000	-	100
Kieni KMTC area	1,000,000			1,000,000	1,000,000	-	100
Aguthi - Ha mukurino area	1,000,000			1,000,000	1,000,000	-	100
Kabati Sikai Sana Shopping center	1,000,000			1,000,000	1,000,000	-	100
Lamuraia-bishop muthoga area	1,000,000			1,000,000	1,000,000	-	100
Kirinyaga - dishon weru area	1,000,000			1,000,000	1,000,000	-	100
Gakawa Chiefs Office			2,000,000	2,000,000	2,000,000	-	100
Gathiuru Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	-	100
Kabaru Chiefs Office			1,300,000	1,300,000	1,300,000	-	100

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

Kabati Assistant Chiefs Office				2,000,000	2,000,000	2,000,000	2,000,000	-	100
Kirima Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Labura Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Mbiriri Assistant Chiefs Office			700,000	700,000	700,000	700,000	700,000	-	100
Muthu -ini Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Ruirii Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Thungari Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Tigthi Assistant Chiefs office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Warazo Location Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Wasonyiro Assistant Chiefs Office			2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Bondenii Assistant chiefs office		2,000,000	-	2,000,000	2,000,000	2,000,000	2,000,000	-	100
Burguret Assistant Chiefs Office		2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	-	100
Gate Assistant Chiefs Office		2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	-	100
Gikamba Assistant Chiefs Office		2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	-	100
Kimunyuru Assistant Chiefs Office		2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	-	100
Njengu Assistant Chiefs Office		2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	-	100
Total	21,000,000	12,000,000	24,000,000	57,000,000	53,600,000	3,400,000	94		
11.0 Acquisition of assets									
Mweiga NG-CDF office,	500,000	-	-	500,000	-	500,000	-	500,000	-
Total	500,000			500,000		500,000		500,000	

*Kieni Constituency
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AIA									
PMC savings									
Total	134,088,879	54,743,581	34,107,283	222,939,743	199,355,996	3,000,000	26,583,747		89

(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-Kieni 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.

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020 - 2021
NGCDF Board	Kshs	Kshs
AIE No.		
B104568		3,088,750
B104723		30,000,000
A823538		39,367,724
B124554		9,000,000
B124968		10,000,000
B119840		15,000,000
B128129		6,900,000
B128441		7,000,000
B132185		6,000,000
B138853		14,000,000
B126147		6,000,000
B126440		16,100,000
B140585		15,000,000
B140935	32,088,879	
B105655	44,000,000	
B105806	24,000,000	
B128546	5,000,000	
B128858	26,000,000	
B154054	30,088,879	
TOTAL	161,177,758	177,456,474

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	-	-

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3. Other Receipts

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

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2021-2022	2020 - 2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,841,430	2,152,543
Personal allowances paid as part of salary		
House allowance	-	276,600
Transport allowance	-	216,000
Leave allowance		-
Gratuity-contractual employees	89,450	298,366
Employer Contributions Compulsory national social security schemes	187,920	96,367
TOTAL	3,118,800	3,039,876

5. Use of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	9,450	9,450
Electricity	42,570	93,425
Water & sewerage charges	19,859	-
Office rent	-	-
Communication, supplies and services	129,550	0
Domestic travel and subsistence	1,399,000	0
Printing, advertising and information supplies & services	-	420,000
Rentals of produced assets		-
Training expenses	1,634,400	2,542,550
Hospitality supplies and services	660,176	106,420
Other committee expenses	1,482,750	1,728,800
Committee allowance	2,124,700	2,804,000
Insurance costs	165,240	171,815
Specialised materials and services	-	-
Office and general supplies and services	517,840	902,170
Fuel , oil & lubricants	970,000	1,300,000
Other operating expenses	656,500	0
Bank service commission and charges	43,794	61,810
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	469,187	491,573
Routine maintenance- other assets	-	0
TOTAL	10,325,016	10,632,013

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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	42,000,000	38,000,000
Transfers to Secondary Schools	25,000,000	13,600,000
Transfers to Tertiary Institutions	-	
TOTAL	67,000,000	51,600,000

7. Other Grants and Other transfers

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Bursary - Secondary (see attached list)	24,420,207	19,880,661
Bursary -Tertiary (see attached list)	23,696,733	19,113,754
Bursary- Special Schools	596,560	357,992
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects (see attached list)	53,600,000	9,900,000
Sports Projects (see attached list)	4,868,032	2,747,354
Environment Projects (see attached list)	2,630,000	2,120,000
Emergency Projects (see attached list)	9,100,648	7,100,000
Roads and Bridges		3,844,250
TOTAL	118,912,180	65,064,011

8. Acquisition Of Assets

Non Financial Assets	2021-2022	2020 - 2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	708,760.00
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of office furniture and and General Equipment	-	-
Purchase of computers ,printers and other IT equipments	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		

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TOTAL	-	708,760
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Notes To the Financial Statements (Continued)

9. Other Payments

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

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank of Kenya, Nyeri Branch. Kieni NG-CDF, Account number: 0110297244437</i>	20,002,267	54,743,581
<i>less Payment Undercast (cashbook folio 85)</i>	(3,500,000)	
Total	16,502,267	54,743,581
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
Total		-	-	-

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	1,438,532
Gratuity held during the year (B)	89,450	298,396
Gratuity paid during the Year (C)	89,450	1,736,928
Closing Gratuity as at 30 th June D= A+B-C	-	-

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	54,743,581	8,570,359
Cash in hand	-	-
Imprest	-	-
Total	54,743,581	8,570,359

[Provide short appropriate explanations as necessary]

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	54,743,581	(63,076)	54,680,505
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	54,743,581	(63,076)	54,680,505

** *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	-	-

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	1,829,967	2,368,359
Use of goods and services	690,170	2,371,871
Amounts due to other Government entities (see attached list)	14,000,000	32,800,000
Amounts due to other grants and other transfers (see attached list)	6,563,610	49,525,508
Acquisition of assets	500,000	140
Other payments	-	5,175
Funds pending approval	3,000,000	
Total	26,583,747	87,071,053

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	63,597,568	12,360,097
Total		

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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.					
Sub-Total					
Supply of goods					
6.					
7.					
Sub-Total					
Supply of services					
8.					
Sub-Total					
Grand Total					

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
Compensation of employees	Payment of salaries and gratuity	1,829,967	2,368,359	
Use of goods & services	Payment for office administration and recurrent expenses and facilitate monitoring and evaluation and NGCDF/PMC capacity building	690,170	2,521,871	
Amounts due to other Government entities				
Primary school				
Amboni Primary School	Renovation of classroom		1,000,000	
Chaka Primary School	Renovation of classroom		1,000,000	
Gakanga Primary School	Renovation of classroom		1,000,000	
Gatuamba Primary School	Renovation of classroom		1,000,000	
Kamburaini primary School	Renovation of classroom		1,000,000	
Karicheni Primary School	3 classroom construction		3,200,000	
Kiaragana Primary School	3 classroom construction		3,200,000	
Kimahuri Primary School	Renovation of classroom		1,000,000	
Mere Primary School	Renovation of classroom		500,000	
Munyu primary School	classroom construction		1,200,000	
Mweiga Primary School	Toilet construction		1,000,000	
Mwichiri Primary School	Toilet construction		1,000,000	
Naromoru Township Primary School	Toilet construction		1,000,000	
Ndathi Primary School	Renovation of classroom		1,000,000	
Ndunyugwathi Primary School	3 classroom construction		3,200,000	

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Njengu Primary School	Renovation of classroom		1,000,000
Warazo Primary School	Renovation of classroom		1,000,000
Wathituga Primary School	Toilet construction		1,000,000
8.0 Secondary Schools Projects			
Gakawa Secondary School	Laboratory construction		2,500,000
Maragima Secondary School	dining hall construction		2,000,000
Ndiriti Aguthi Secondary School	Laboratory construction		3,000,000
St Jude Secondary School	dining hall construction		1,000,000
Kabendera Primary school	classroom construction	1,500,000	
St. Joseph Allamano Secondary School	Laboratory construction	2,000,000	
Ruiriii Secondary school	Laboratory construction	2,500,000	
Karundas Secondary school	3 classroom completion	1,000,000	
Tertiary institution			
Kieni KMTC	Office block construction	7,000,000	
		14,000,000	32,800,000
Amounts due to other grants and other transfers			
1. Bursary secondary school	Bursary support to needy secondary students	83,044	3,251
2. Bursary tertiary school	Bursary support to needy secondary students	599	8,166,332
3. Bursary - special school	Bursary support to needy secondary students	231,563	111,227
4. Sports	facilitate constituency tournament	2,018,404	2,126,255
5. Emergency	cater for unseen occurrences in the constituency	-	1,908,442
6. Security Projects			
Bondeni Assistant chiefs office	Office block construction		2,000,000
Burguret Assistant Chiefs Office	Office block construction		2,000,000
Gakawa Chiefs Office	Office block construction		2,000,000

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Gatei Assistant Chiefs Office	Office block construction		2,000,000
Gathiuru Assistant Chiefs Office	Office block construction		2,000,000
Gikamba Assistant Chiefs Office	Office block construction		2,000,000
Kabaru Chiefs Office	Office block construction		1,300,000
Kabati Assistant Chiefs Office	Office block construction		2,000,000
Kimunyuru Assistant Chiefs Office	Office block construction		2,000,000
Kirima Assistant Chiefs Office	Office block construction		2,000,000
Labura Chiefs Office	Office block construction		2,000,000
Mbiriri Assistant Chiefs Office	Office block construction		700,000
Muthu-ini Assistant Chiefs Office	Office block construction		2,000,000
Njengu Assistant Chiefs Office	Office block construction		2,000,000
Ruirii Assistant Chiefs Office	Office block construction		2,000,000
Thungari Assistant Chiefs Office	Office block construction		2,000,000
Tigithi Assistant Chiefs office	Office block construction		2,000,000
Warazo Location Chiefs Office	Office block construction		2,000,000
Wasonyiro Assistant Chiefs Office	Office block construction		2,000,000
Amboni Assistant chiefs office	electrification of office	200,000	
Chaka chiefs office	completion of office	500,000	
Kimunyuru Assistant Chiefs Office	Office block construction	2,000,000	
Mweiga assistant chiefs office	electrification of office	200,000	
Tigithi assistant chiefs	Toilet construction	500,000	
8. Environmental Projects			
Gatei Assistant Chiefs Office	water harvesting and storage		530,000
Warazo Location Chiefs Office	water harvesting and storage		530,000
Mweiga NGCDF office	water harvesting and storage	300000	
Burguret Asst chief office	water harvesting and storage	265000	
Nairutia police station	water harvesting and storage	265000	
Sub-Total		6,563,610	49,375,507

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Acquisition of assets				
NGCDF office		500,000		140
Others (<i>specify</i>)				
strategic plan			5,175	
Sub-Total				5,175
Funds pending approval		3,000,000		
Grand Total		26,583,747		87,071,052

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

Asset class	Historical Cost b/f		Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost	
	(Kshs)	2020/21			(Kshs)	2021/22
Land	-	-			-	-
Buildings and structures	20,888,456	20,888,456			20,888,456	20,888,456
Transport equipment	9,763,625	9,763,625			9,763,625	9,763,625
Office equipment, furniture and fittings	2,248,518	2,248,518			2,248,518	2,248,518
ICT Equipment, Software and Other ICT Assets	3,177,166	3,177,166			3,177,166	3,177,166
Other Machinery and Equipment	18,005,520	18,005,520			18,005,520	18,005,520
Heritage and cultural assets	-	-			-	-
Intangible assets	-	-			-	-
Total		54,083,285				54,083,285

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
1	Administrative Office Furniture	Equity Bank	3,600,000	-
2	Amboni Primary School	Equity Bank	119,959	-
3	Bonden Primary School	Equity Bank	1,733,451	373,745
4	Bonden Assistant Chief Office	Equity Bank	715,419	-
5	Burguret Assistant Chief Office	Equity Bank	73,953	-
6	Chaka Primary School	Equity Bank	1,000,000	-
7	Charity Primary School	Equity Bank	500,227	227
8	DCC Kieni East	Equity Bank	1,000,000	-
9	Gakanga Primary School	Equity Bank	249,715	-
10	Gakawa Chief Office	Equity Bank	53,967	-
11	Gakawa Chiefs Office	Equity Bank	1,892,530	-
12	Gakawa Secondary School	Equity Bank	-	-
13	Gatei Assistant Chief	Equity Bank	1,848,590	-
14	Gathuru Assistant Chief Office	Equity Bank	199,522	-
15	Gatuamba Primary School	Equity Bank	141,276	-
16	Gikamba Assistant Chief Office	Equity Bank	2,500,000	-
17	Guara Primary School	Equity Bank	102,643	47,089
18	Igathu Primary School	Equity Bank	983,067	1,000
19	Ikumari Primary School	Equity Bank	1,114,236	1,000,014
20	Kabaru Chief's Office	Equity Bank	372,336	-
21	Kabati Assistant Chief Office	Equity Bank	1,892,453	-
22	Kabendera Loc. Admin. Office	Equity Bank	963,572	2,265,000
23	Kairi Assistant Chief Office	Equity Bank	302,278	288,518
24	Kamburaini Primary School	Equity Bank	94,707	764
25	Karicheni Primary School	Equity Bank	932,945	6,249
26	Kiahuria Primary School	Equity Bank	549,472	49,472
27	Kiaragana Primary School	Equity Bank	3,202,008	202,008
28	Kiaragana Secondary School	Equity Bank	429,580	76,208
29	Kieni CDF Sports	Equity Bank	93,108	38,890
30	Kieni East Sub county Offices	Equity Bank	314,285	14,285

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31	Kirima Assistant Chief Office	1150281942701	Equity Bank	2,000,000	-
32	Kimunyuru assistant chiefs office	1150280153365	Equity Bank	2,000,000	-
33	Labura Chief's Office	1150281942880	Equity Bank	2,000,000	-
34	Maragima Secondary School	0110198610260	Equity Bank	3,523,174	23,174
35	Maragima Assitant chiefs office	1150276287316	Equity Bank	2,000,000	-
36	Mere Primary School	1150299751039	Equity Bank	72,159	1,789
37	Mlima Kenya Primary School	1150282706720	Equity Bank	1,000,000	-
38	Mugunda Primary School	1150282938473	Equity Bank	1,000,000	-
39	Munyu Primary School	1150199860794	Equity Bank	1,201,117	1,117
40	Muthuini Assistant Chief Office	1150282776218	Equity Bank	2,000,000	-
41	Mweiga Secondary School	0110269984130	Equity Bank	1,199,673	-
42	Mweiga Primary School	0110199299669	Equity Bank	230,040	1,110
43	Mwichwiri Primary School	1150280153472	Equity Bank	621,533	1,429
44	Mwihoko Primary School	1150276286807	Equity Bank	1,600,269	2,200,650
45	Mwiyogo primary	0110269924942	Equity Bank	331,449	189,263
46	Mwiyogo Secondary School	0110297145053	Equity Bank	141,520	1,001,690
47	Nairutia Police Station	1150280557334	Equity Bank	803,387	1,178,997
48	Naromoru Girls Secondary School	1150279646723	Equity Bank	292,105	112,105
49	Naromoru Township Primary School	0110273175575	Equity Bank	183,635	40,530
50	Ndathi Primary School	1150282323567	Equity Bank	99,991	-
51	Ndiriti Aguthi Secondary School	0110266239059	Equity Bank	2,651,737	2,980
52	Ndunyugwathi Primary School	1150279778666	Equity Bank	514,014	1,622
53	Njengu Assistant Chief Office	1150281167266	Equity Bank	2,000,000	-
54	Njengu Primary School	0110268859585	Equity Bank	1,704,250	38,010
55	Njengu Secondary School	0110269958666	Equity Bank	302,162	2,162
56	Rodama Primary School	1150280612861	Equity Bank	1,120,000	1,200,000
57	St Bakhita Gatarakwa Girls Sec Sch	1150280156850	Equity Bank	689,034	2,000,000
58	St Jude Secondary School	1150281988305	Equity Bank	211,523	-
59	Talau Primary	1150282476011	Equity Bank	300,000	-
60	Thigi Assistant Chief Office	1150282452177	Equity Bank	2,000,000	-
61	Thungari Assistant Chief Office	1150281943275	Equity Bank	566,163	-
62	Tigithi Assistant Chief Office	1150282775845	Equity Bank	2,300,000	-
63	Warazo Location Chief Office	1150281943107	Equity Bank	1,809,133	-
64	Warazo Primary School	1150282706671	Equity Bank	1,000,000	-
65	Wasonyiro Assistant Chief Office	1150281943467	Equity Bank	2,000,000	-

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66	Wathituga Primary School	1150282132394	Equity Bank	154,201	-
	Totals			68,597,568	12,360,097

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
CEN/HUB/KIENI NGCDF/2020/2021 (23)	Note 7 to the financial statements reflects a balance of Kshs. 65,064,011.00 in respect to other grants and other payments which included Kshs. 2,120,000.00 in respect to Environment projects which further includes Kshs. 1855,000 transferred to various PMCs account for water harvesting; by purchasing of 10,000 litres water tanks at Kshs. 85,000.00 per tank, construction of water tank stands at Kshs. 150,000.00 and fixing of gutters at Kshs. 30,000 per benefitting the institutions. However, audit verification of the projects on 6th April 2022 indicates that the projects had not been implemented. The eighteen (18) months delay in the implementation of the projects was not explained.	The projects were funded under environment sector consisting of water harvesting and storage. The projects can only be implemented once the actual project is completed. The projects were under implementation stage hence water harvesting could not be done. The Management is following up with the completed project to have the water harvesting and storage activity is done	Not Resolved	
CEN/HUB/KIENI NGCDF/2020/2021 (23)	Note 7 to the financial statements reflects a balance of Kshs. 65,064,011.00 in respect to other grants and other payments which included Kshs. 7,100,000.00 in respect to emergency projects which includes Kshs. 4,800,000 transferred to PMC accounts and disbursed for dormitory construction works in secondary	The project consisted construction of a dormitory to completion, however the project had been done at total cost of Kshs. 4,799,420 as per the local service order no. 249. However, the payment was done as per the completed activities as	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>school after fire gutted down its dormitory. However, by the time of audit verification in April 2022 the dormitory was not complete as the window panes had not been fixed and the building had several cracks on the walls and yet the entire contract amount had been settled</p>	<p>follows: <ul style="list-style-type: none"> - 1st Interim payment of Kshs. 3,280,900 as per invoice no. 70 dated 20th August, 2021 and paid as per certificate no. 1 net of retention Income tax withholding and VAT withholding - 2nd Interim payment of Kshs. 1,344,630 as per invoice no. 90 dated 15th October, 2021 and paid net as per the certificate no. 2 net of retention Income tax withholding and VAT withholding. - Cumulatively the contactor has been paid Kshs. 4,625,530 as per the ministry of public works variation report leaving a balance of Kshs. 173,890 for the remaining uncompleted works. - In additional the project committee has retained 10% for every payment as per the variation report to cater for any defects that may arise before expiry of six months after completion of the project. Hence the defect have been noted and will corrected before the retention money is paid <p>The remaining works which</p> </p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>include fixing of window panes and painting required the project have proper curing of the plastered walls before embarking on the foresaid remaining works.</p> <p>This required proper aeration noting that the area normally has cold weather therefore takes time before it has cured therefore recommended it's given proper time to cure properly to avoid peeling of the paints.</p> <p>However, the works could not be completed immediately given that the national exams, KCSE were going on in the month of march. The Contractor has been called to site to complete the remaining works and correct the defects as per the agreement.</p> <p>Copies of the Invoices, Local service order (LPO), ministry of works valuations and certificate are attached for your verification (attachment 2)</p>		
CEN/HUB/KIENI NGCDF/2020/2021 (23)	Note 10 A the financial statements reflects Kshs. 54,743,581 in respect of cash and cash equivalent. However, the bank reconciliation statement reflects Kshs. 54,680, 504.91 as cash	The variance relates to correction of an error of overpayment in the cashbook in month 2021 which has been corrected in the financial	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	and cash equivalents resulting to variance of kshs. 63,076.	statement. This is to be corrected in the cash book in the subsequent financial year.		
CEN/HUB/KIENI NGCDF/2020/2021 (23)	The summary statement of appropriation for the year ended 30th June 2021 reflects a revenue budget of Kshs. 218,115,712 and actual on comparable basis totalling Kshs 186,026,833 resulting to an underfunding of kshs. 32,088,879 or 15 % of the budget. Further, the summary statement of appropriation reflects approved expenditure budget of kshs. 218, 115, 712 and actual expenditure Kshs. 131,044,660 resulting to under expenditure of Kshs. 87,071,052 or 40% of the budget. The underfunding and under performance may have constrained execution of planned activities and delivery of services to Kieni constituents.	The under expenditure in the financial year relates to delay in disbursement of funds from the NGCDF board however the management has noted and will improve on requisition of funds from the NGCDF board.	Not resolved	


 Name: Jessy Mwangi
 Fund Account Manager.

