

REPUBLIC OF KENYA



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REPORT

THE NATIONAL ASSEMBLY	
OF	DATE: 22 NOV 2022
TABLED BY:	LOM
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	DAY: Tuesday

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - KURIA EAST
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



KURIA EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

***Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021***

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	KORIR K. BERNARD
2.	Sub-County Accountant	GEORGE O.KAPODOH
3.	Chairman NGCDFC	FLAVIAN BOKE
4.	Member NGCDFC	MORRIS WAMBURA

(d) Fiduciary Oversight Arrangements

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

P.O. Box 7-40416 KEGONGA
Kuria East ngcdf Building
Along sub county Headquarter
Kegonga, Kenya

(f) Kuria East Constituency NGCDF Contacts

Telephone: 254724669962
E-mail: ngcdfkuriaeast.go.ke
Website: www.cdf.go.ke

(g) Kuria East Constituency NGCDF Bankers

Kenya commercial Bank
Kehancha Branch
P.o Box
Kehancha.

(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 CHAIRLADY 'S REPORT

Include among others the following:

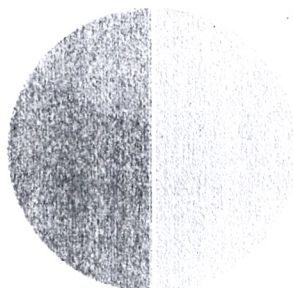


FLAVIAN BOKE MWITA

Presented herein please find the Kuria East NG-CDF's annual report and financial statements for the financial year 2020/2021. In the year under review, we are pleased with our overall performance with an increased annual expenditure compared to the previous financial year. We have put systems in place to ensure that there is improved service delivery and value for money which is in line with the constituency's vision, mission statement and the objectives.

The actual amounts utilised by the constituency in its various expense items was at 72.1% of our annual budget of Kshs. 137,088,879.31, however the target should be 100% if funds are availed in time during the respective financial year.

Pie chart comparing allocation
for financial year 2019/2020
and 2020/2021



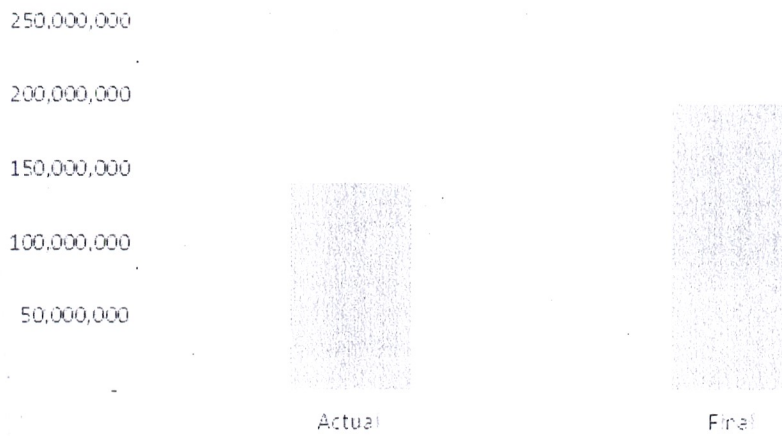
Financial year 2019/2020 ■ Financial year 2020/2021

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Note

There was an increase in the allocation by 278,845 in FY 2020/2021 allocation

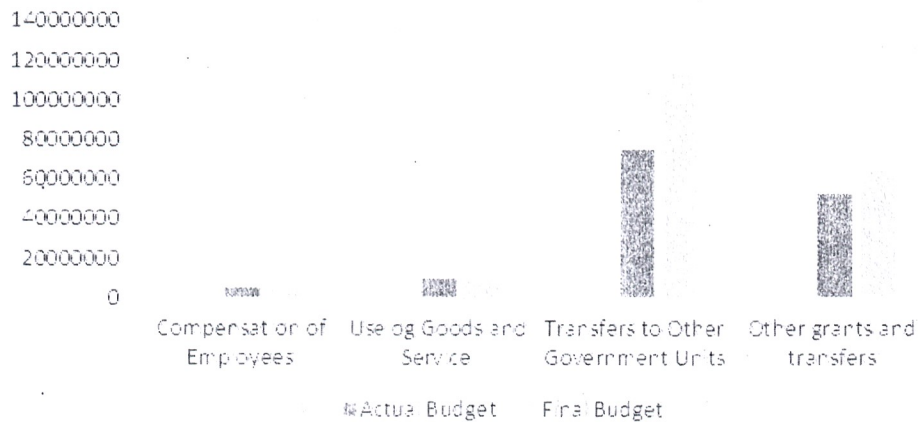
Bar graph showing Actual Budget and Final budget



Note

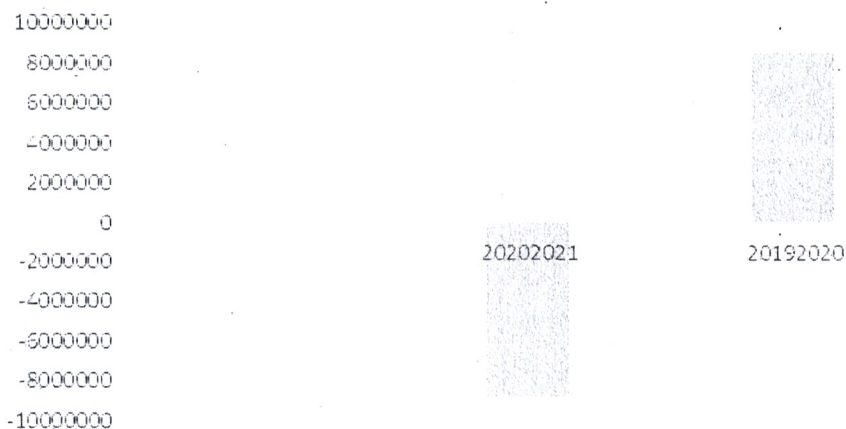
The utilization of funds against the final budget is at 72.1 %, since the constituency has an outstanding disbursement from the NG-CDF Board of Kshs. 53,088,879 for the financial year 2020/2021

Bar graph comparing Actual and final Budget for financial year 2020/2021



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Bar graph comparing surplus and deficit for financial year 2019/2020 and 2020/2021



Note

This is an indicator of reduction in disbursement of funds to projects in the current financial year 2020/2021 with a deficit of Kshs. (8,760,793) compared to the disbursements in the financial year 2019/2020 with a surplus of Kshs. 8,514,265.

Key Achievements for the Kuria East NG-CDF

- In the education sector, NG-CDF funding of infrastructure in schools has assisted in increasing pupils/ students enrolment and provided conducive learning environment.
- The NG-CDF bursary has helped retain students from low income families in schools.
- In the security sector, funding of chiefs offices, ACC Residence, Police station administration police lines have ensured conducive working and living environment and prompt responses to calls on their duties.

Signature

CHAIRLADY NGCDF COMMITTEE

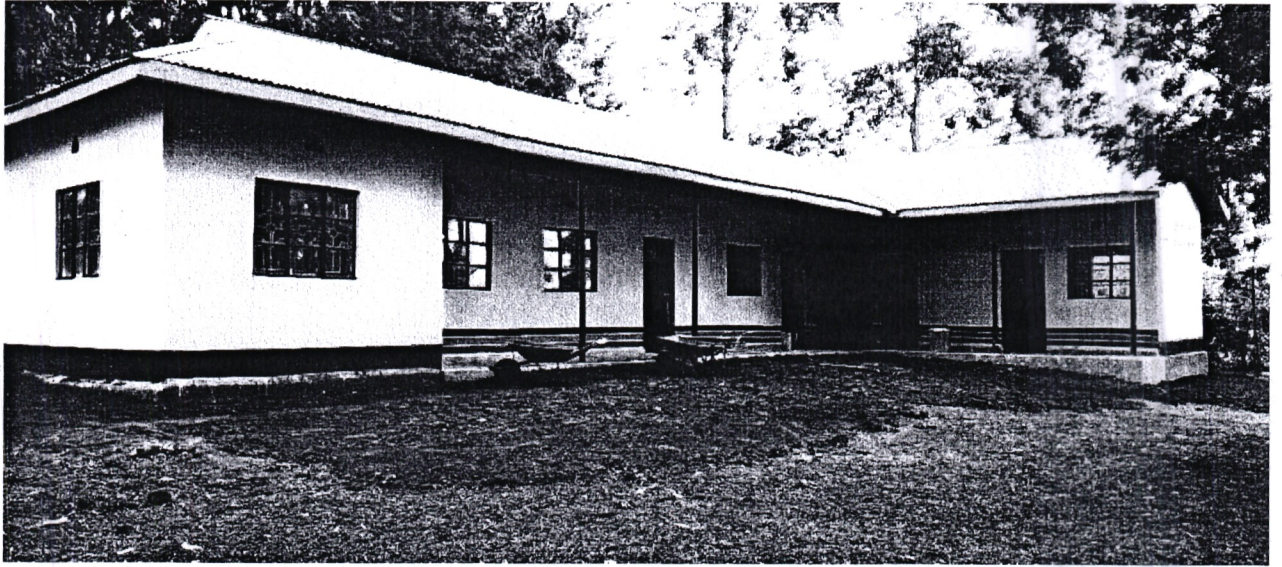


Nyamagogwi Secondary school Construction of two classrooms FY 202021

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Nguruna Secondary School Construction of two classrooms FY 20202021



Nyabasi West chiefs office FY 20202021

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

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 Kuria East Constituency 2018-2022 plan are to:

- a) To improve education outcome at all levels of learning.
- b) To empower constituents of Kuria constituency socially and economically.
- c) To enhance security for constituency and strengthen community policy mechanisms.
- d) To address environmental challenges and reduce the impact of disaster risks
- e) To enhance sport empowerment within the constituency.
- f) To streamline funds process and systems
- g) To empower constituents of Kuria West in terms of access to clean water

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 have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels. 	In FY 20/21 -we increased number of classrooms by 60, constructed 15 new toilets to completion, 7 dormitories, 5 laboratories in various schools,- Bursary; 2700 beneficiaries that has enhanced learning process.
Security	To enhance security to the society	Improve peace and unity to community in various wards within the sub county	Number of usable physical infrastructure built in locations, sub locations and police stations	In FY 20/21 We renovated and completed 11 chiefs office and 1 ongoing 7 police post/ station

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

XXX 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 Kuria East NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Kuria East 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Environment Policy and Action Plan Protection of the environment in which we live and work is a piece of Kuria East NG-CDFC initiatives Care for the environment is one of our key duties and a significant angle in the manner by which we complete our tasks.

Our Environmental Strategy In this approach proclamation Kuria West NG-CDFC focuses on:

- i. Consent to all applicable natural enactment, guidelines and affirmed codes of training
- ii. securing the environment by endeavouring to forestall and limit our commitment to contamination of land, air, and water
- iii. Looking to downplay wastage and augment the productive utilization of materials and assets
- iv. Overseeing and discarding all wastage in a mindful way;

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-
- v. Providing training to our NG-CDFC and staff so we as a whole work as per this and inside a naturally mindful culture
 - vi. Building up our administration procedures to guarantee that natural elements are considered during arranging and execution
 - vii. Observing and persistently improving our natural execution.
 - viii. Trying to use our ecological effect by urging partners to improve their natural execution

3. Employee welfare

We invest in providing the best working environment for our employees. Kuria East 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. Kuria East 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-

KURIA EAST NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

**Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
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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.

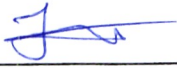
The Accounting Officer in charge of the NGCDF-Kuria East Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Kuria East 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kuria East Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

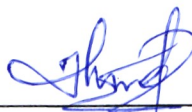
The Accounting Officer in charge of the NGCDF Kuria East Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used 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- Kuria East Constituency financial statements were approved and signed by the Accounting Officer on 22/8/2021 2021.



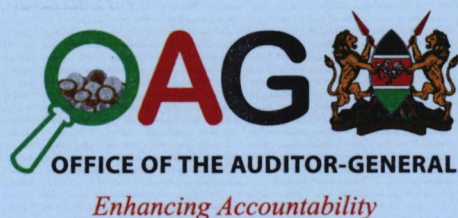
Chairlady NGCDF Committee
Name: Rosemary Bwalya



Fund Account Manager
Name: Kuria Borahara

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



HEADQUARTERS
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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KURIA EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kuria East Constituency set out on pages 17 to 55, which comprise of the statement of assets and liabilities as at

30 June, 2021, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kuria East Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in Bursary Disbursement

The statement of receipts and payments reflects other grants and other payments amount of Kshs.52,409,998 which, as disclosed in Note 7 to the financial statements includes an amount of Kshs.29,817,790 in respect of bursary to secondary schools and tertiary institutions. However, the ledgers indicated bursary payments amounting to Kshs.27,508,254, resulting in an unexplained variance of Kshs.2,309,536. Further, it was noted that cheques amounting to Kshs.486,000 were posted more than once.

In the circumstances, the accuracy and completeness of the bursary payments amount of Kshs.29,817,790 could not be confirmed.

2. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,040,587 as disclosed in Note 8A to the financial statements. Review of the bank reconciliation statements revealed un-presented cheques totalling to Kshs.1,809,773 which remained uncleared and have since become stale. The cheques had not been reversed in the cashbook.

Further, Management did not provide bank confirmation certificates for the bank balances.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balances of Kshs.1,040,587 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.194,257,983 and Kshs.141,169,104 respectively, resulting to under realization of Kshs.53,088,879 or 27% of the budget. Similarly, the statement reflects that the Fund expended an amount of Kshs.140,128,517 against an approved budget of Kshs.194,257,983, resulting to an under expenditure of Kshs.54,129,466 or 28% of the approved budget.

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

2. Unresolved Prior Year Audit Matters

In the previous year, various audit issues were raised. Management has not provided reasons for the delay in resolving the prior year audit issues as required by the Public Sector Accounting Standards Board.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Unsatisfactory Implementation of Projects

1.1. Secondary School Projects

Review of records and physical verification in March, 2022 indicated that eight (8) projects costing Kshs.30,100,000 were incomplete and were at various stages of implementation as shown in **Appendix I**.

1.2. Renovation of Offices at Ntimaru Police Station

The statement of receipts and payments reflects other grants and transfers balance of Kshs.52,409,998 which, as disclosed in Note 7 to the financial statements includes an expenditure of Kshs.13,534,209 in respect to security projects. Review of records

revealed that an amount of Kshs.1,000,000 was paid towards renovation of eight (8) offices at Ntimaru Police Station. The scope of works included fixing ceiling, tiling, electrical works and painting.

However, physical verification in the month of March, 2022 revealed that electrical installation and wiring were not done. Further, there was poor workmanship on tiling, painting and the ceiling which were not properly fixed.

In the circumstances, the public did not receive the expected value for money from the funds spent on the projects.

2. Irregular Bursary Allocation

Review of budget information indicates that the Fund had an annual budget allocation of Kshs.137,088,879 for the financial year. However, Management budgeted for an amount of Kshs.25,802,000 or 19% of the total allocation towards bursaries as opposed to the set threshold of 25% of the total budget . This was contrary to Regulation 21 of the National Government Constituencies Development Fund Regulations, 2016 which provides that a Constituency Committee shall allocate not less than twenty-five percent of the funds allocated to a constituency for bursaries.

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 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 overall 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 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

06 September, 2022

Appendix I: Unsatisfactory Implementation of Projects.

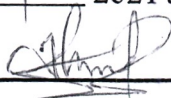
Project Name	Project Details	Amount (Kshs)	Remarks
Kionyo Primary School	Construction of three (3) new classrooms to completion	2,700,000	Classrooms neither painted nor branded. No windowpane. Full payment done.
Igena Itambe Primary School	Construction of four (4) new classrooms to completion	3,600,000	Two (2) classroom at lintel level; floor, windows, doors, plastering and roofing not done.
Nyamagongwi Primary School	Construction of two (2) classrooms to completion		Walling done up to lintel level
Igena Itambe Primary School	Construction of four (4) new classrooms to completion	3,600,000	Two (2) classrooms in complete at lintel level-50% complete.
Gokeharaka Secondary School	Two (2) storied building with six (6) offices on the ground floor and library on second floor (walling, slabbing, fixing of doors, windows and painting of first floor)	4,000,000	The project done up to the first floor. Only slabbing done on second floor. First floor not painted.
Kemakoba Secondary School	Construction of three (3) blocks, four (4) pit latrines each for boys, girls and teachers for Kshs.1,500,000	1,500,000	No construction. Only two (2) pit latrines dug.
Kegonga Secondary School	One storied boys dormitory with a capacity of 400 students (Fixing doors, windows, plastering and painting)	4,000,000	Walling and roofing done. Staircase not complete. First floor not painted and no window panes.
Wangirabose Secondary School	Two (2) storied building comprising of twelve classrooms (walling of ground floor, first floor roofing, plastering and painting)	8,000,000	The building done up to the roofing level. Plastering not done. Doors and windows not fitted.


Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
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VII.STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020 - 2021	2019 - 2020
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	131,367,724	145,740,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		131,367,724	145,740,876
PAYMENTS			
Compensation of employees	4	4,457,050	2,296,551
Use of goods and services	5	9,160,580	11,716,859
Transfers to Other Government Units	6	74,100,889	81,440,000
Other grants and transfers	7	52,409,998	41,773,200
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		140,128,517	137,226,610
SURPLUS/DEFICIT		(8,760,793)	8,514,265

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kuria East Constituency financial statements were approved on 22/8 2021 and signed by:


Fund Account Manager
 Name: Barbara B. B. B.


National Sub-County Accountant
 Name: Walter O. O. O.
 ICPAK M/No:



Chairlady NG-CDF Committee
 Name: Annex B. B.

*Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
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VIII.STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8A	1,040,587	9,801,380
Cash Balances (cash at hand)		-	-
Total Cash and Cash Equivalents		1,040,587	9,801,380
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		1,040,587	9,801,380
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		1,040,587	9,801,380
REPRESENTED BY			
Fund balance b/fwd 1st July...		9,801,380	1,287,115
Prior year adjustments	14	-	-
Surplus/Defict for the year		(8,760,793)	8,514,265
NET FINANCIAL POSITION		1,040,587	9,801,380


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kuria East Constituency financial statements were approved on 29/8/2021 and signed by:



Fund Account Manager
Name: *Worik BERNARD*



National/Sub-County
Accountant
Name: *ALBERTO D. KARBOHT*
ICPAK M/No:



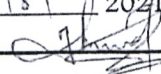
Chairlady NG-CDF Committee
Name: *Florian BORO*


**Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**


IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	131,367,724	145,740,876
Other Receipts	3	-	-
		131,367,724	145,740,876
Payments for operating activities			
Compensation of Employees	4	4,457,050	2,296,551
Use of goods and services	5	9,160,580	11,716,859
Transfers to Other Government Units	6	74,100,889	81,440,000
Other grants and transfers	7	52,409,998	41,773,200
Other Payments	9	-	-
		140,128,517	137,226,610
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(8,760,793)	8,514,265
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(8,760,793)	8,514,265
Cash and cash equivalent at BEGINNING of the year	8A	9,801,380	1,287,115
Cash and cash equivalent at END of the year		1,040,587	9,801,380

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kuria East Constituency financial statements were approved on 22/12/2021 and signed by:


Fund Account Manager
Name: Robert K. Kibuka


National Sub-County
Accountant
Name: MORIS O. KIBUKU
ICPAK M/No:


Chairlady NG-CDF Committee
Name: HANAN BOLLE

Kuria East Constituency
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X.SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30 JUNE 2021

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Transfers from NG-CDF Board	137,088,879	9,801,380	47,367,724	194,257,983	141,169,104	53,088,879	72.7%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	0.0%
TOTAL RECEIPTS	137,088,879	9,801,380	47,367,724	194,257,983	141,169,104	53,088,879	72.7%
PAYMENTS							
Compensation of Employees	3,400,000		824,343	4,224,343	4,457,050	(232,707)	105.5%
Use of goods and services	8,937,999	1,380		8,939,379	9,160,580	(221,201)	102.5%
Transfers to Other Government Units	80,600,000	5,000,000	31,260,000	116,860,000	74,100,889	42,759,111	63.4%
Other grants and transfers	44,150,880	4,800,000	15,283,381	64,234,261	52,409,998	11,824,263	81.6%
Acquisition of Assets				0	-	-	0.0%
Other Payments	0			0	-	-	0.0%
TOTAL	137,088,879	9,801,380	47,367,724	194,257,983	140,128,517	54,129,466	72.1%

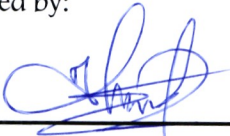
**Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**


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


- i. The committee attained 105.5% in compensation of employees having paid and salaries retained provision of employee's gratuity.
- ii. The NG-CDFC attained 72.7 % due to receiving half of total allocation from NG-CDFC Board
- iii. The NG-CDFC attained 72.2 % after disbursement of ksh 140,128,517 out of ksh 194,257,983 after receiving half allocation from NGCDF Board
- iv. The NG-CDFC attained 72.2% disbursed from funds partly received

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	54,129,466
Less undisbursed funds receivable from the Board as at 30th June 2021	53,088,879
	1,040,587
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 202021	1,040,587

The NGCDF-Kuria East Constituency financial statements were approved on 9/2/21 2021 and signed by:


Fund Account Manager
Name: Korix Samuel


National Sub-County Accountant
Name: George O. Kaboo
ICPAK M/No:


Chairman NG-CDF Committee
Name: Flavian Boko

X.BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-Programme	Original Budget(a)	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d /c %)
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,400,000		824,343	4,224,343	4,457,050	(232,707)	106%
1.2 Committee allowances	1,000,000			1,000,000	1,000,000	-	100%
1.3 Use of goods and services	3,825,333	1,380		3,826,713	3,825,333	1,380	100%
Total							
2.0 Monitoring and evaluation							
2.1 Capacity building	2,000,000			2,000,000	2,000,000	-	100%
2.2 Committee allowances	750,000			750,000	750,000	-	100%
2.3 Use of goods and services	1,362,666			1,362,666	1,585,247	(222,581)	116%
Total	12,337,999			12,337,999		12,337,999	
3.0 Emergency							
3.1 Primary Schools							
Sanchawa Primary	450,000			450,000	450,000	-	
Chinato Primary	450,000			450,000	450,000	-	
Gibarori Primary	500,000			500,000	500,000	-	

**Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Komorama Primary	500,000			500,000	500,000	-
3.2 Secondary schools						-
Nyamagogwi Secondary	503,000			503,000	503,000	-
Guana Secondary	600,000			600,000	600,000	-
Nyamagogwi Secondary	550,000			550,000	550,000	-
Nguruna Secondary	750,000			750,000	750,000	-
Nyamagenga Secondary	600,000			600,000	600,000	-
Igena Itambe Sec	520,000			520,000	520,000	-
Nguku mahando Sec	419,207		80,792	499,999	499,999	-
Kemakoba Secondary	550,000			550,000	550,000	-
Total						
3.4 Security projects						
Chinato Acc	300,000			300,000	300,000	-
Nitamaru Central Chiefs Office	500,000			500,000	500,000	-
Total	7,192,207		80,792	7,272,999	7,272,999	
4.0 Bursary and Social Security						
4.1 Secondary Schools	10,000,000	1,987,000		11,987,000	14,113,190	(2,126,190)
4.2 Tertiary Institutions	11,802,000	2,013,000		13,815,000	15,704,600	(1,889,600)
4.3 Social Security						
4.4 Special Needs						
Total						
5.0 Sports						

*Kuria East Constituency
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Reports and Financial Statements for The Year Ended June 30, 2021*

NYAITARA PRIMARY		3,000,000	500,000		3,500,000	3,250,000	250,000	93%
SAKURI PRIMARY		500,000	500,000		1,000,000	1,000,000	-	100%
SERONGA PRIMARY	1,000,000				1,000,000	1,000,000	-	100%
WANGIRABOSE PRIMARY			500,000		500,000	500,000	-	100%
GIBARORI PRIMARY			500,000		500,000	500,000	-	100%
IHORE BOARDING			660,000		660,000	600,000	60,000	91%
TARAGAI PRIMARY			650,000		650,000	650,000	-	100%
GETAMBWEGA PRIMARY			500,000		500,000	500,000	-	100%
BIKARABWA PRIMARY	1,000,000				1,000,000	500,000	500,000	50%
GURETTA PRIMARY			1,000,000		1,000,000	1,000,000	-	100%
NYAMTIRO BOARDING PRIMARY	3,000,000		3,000,000		6,000,000	1,226,100	4,773,900	20%
NYAMAGOGWI PRIMARY			1,500,000		1,500,000	1,500,000	-	100%
KONGORI PRIMARY	1,500,000				1,500,000		1,500,000	
KEBARISIA PRIMARY	2,000,000				2,000,000		2,000,000	0%
NYAMARANYA PRIMARY	2,000,000				2,000,000		2,000,000	
SIABAI PRIMARY			500,000		500,000	500,000	-	
GWITEMBE PRIMARY			500,000		500,000		500,000	
KEBAROTI PRIMARY			500,000		500,000		500,000	
IHORE PRIMARY			500,000		500,000		500,000	
Total	27,300,000		19,212,441		51,512,441	31,778,541		

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SERONGA SECONDARY	900,000			900,000		900,000	0%
ST JOSEPH SECONDARY	2,000,000			2,000,000		2,000,000	0%
TOTAL	50,800,000	500,000	10,910,000	62,210,000	38,822,348	23,387,652	62%
TECHNICAL COLLEGE							
1.Kendege TTI			3,500,000	3,500,000	3,500,000	-	
2.KEGONGA KMTC	5,000,000	-		5,000,000		5,000,000	=
3.KEGONGA LAW COURT	2,000,000		3,000,000	5,000,000		5,000,000	
TOTAL	7,000,000		3,000,000	10,000,000	3,500,000	10,000,000	
SECURTTY							
1.Nyabasi West Chiefs office	1,500,000		1,000,000	2,500,000	1,400,000	1,100,000	56%
2.Nyaitara Assistant	700,000		800,000	1,500,000	800,000	700,000	53%
3.Kebaroti Chiefs Office	1,000,000		1,300,000	2,300,000	2,300,000	-	100%
5.Assistant County Commissioner Residence Chinato	1,250,000			1,250,000	1,250,000	-	100%
6.Makararangwe chiefs office			1,800,000	1,800,000	1,800,000	-	100%
7.Kemakoba Assistant Chiefs Office			2,700,000	2,700,000	2,700,000	-	100%
8.Nimaru Central Chiefs Office	1,500,000		1,500,000	3,000,000	3,000,000	-	100%
9. Gwitembe Police					284,209		95%

**Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

		300,000	300,000	9,100,000	300,000	15,791
Total	5,950,000	300,000	9,100,000	15,350,000	13,534,209	1,815,791
STATEMENT OF APPROPRIATION EXTRACT (FOR COMPARISON OF APPROPRIATION STATEMENT PAYMENTS TOTALS AND BUDGET EXECUTION TOTALS)						
Receipt/Expense Item	Original Budget	a	Adjustments	b	Final Budget	c=a+b
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements			
PAYMENTS						
Compensation of Employees	3,400,000	-	824,343	4,224,343		
Use of goods and services	8,937,999	1,380		8,939,379		
Transfers to Other Government Units	80,600,000	5,000,000	31,260,000	116,860,000		
Other grants and transfers	44,150,880	4,800,000	15,283,381	64,234,261		
TOTAL	137,088,879	9,801,380	47,367,724	194,257,983		

(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)

IX. 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-Kuria East 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.

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.

***Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for the Year Ended June 30, 2021***

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

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.

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 30th June 2020 for the period 1st July 2020 to 30th June 2021 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 2021

***Kuria East Constituency
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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.

Kuria East Constituency

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XI. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
	AIE NO. B096903	5,000,000.00	
Normal Allocation	AIE NO. B 030184	19,000,000.00	
	AIE NO. B 030428	12,367,724.10	
	AIE NO. B 124703	8,000,000.00	
	AIE NO. B 138884	13,000,000.00	
	AIE NO. B 128159	6,900,000.00	
	AIE NO. B 128742	7,000,000.00	
	AIE NO. B 132216	6,000,000.00	
	AIE NO. B 119918	13,000,000.00	
	AIE NO. B 126178	7,000,000.00	
	AIE NO. B 049297	10,600,000.00	
	AIE NO. B 104322	3,000,000.00	
	AIE NO. B 140616	12,000,000.00	
	AIE NO. B 119528	8,500,000.00	
	AIE NO.B041046		40,540,875.50
	AIE NO.B047262		500,000.00
	AIE NO.B047253		200,000.00
	AIE NO. B047327		1,500,000.00
	AIE NO.B047493		4,000,000.00
	AIE NO.B048721		20,000,000.00
	AIE NO.B041414		5,000,000.00
	AIE NO.B042547		6,000,000.00
	AIE NO.B043985		14,000,000.00
	AIE NO.B048936		24,000,000.00
	AIE NO.B049521		30,000,000.00
TOTAL		131,367,724.10	145,740,876

***Kuria East Constituency
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2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	xxx	xxx
Receipts from the Sale of Vehicles and Transport Equipment	xxx	xxx
Receipts from sale of office and general equipment	xxx	xxx
Receipts from the Sale Plant Machinery and Equipment	xxx	xxx
Total	xxx	xxx

Kuria East Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	xxx	xxx
Rents	xxx	Xxx
Receipts from sale of tender documents	xxx	Xxx
Hire of plant/equipment/facilities	xxx	Xxx
Unutilized funds from PMCs	xxx	xxx
Other Receipts Not Classified Elsewhere	xxx	Xxx
Total	xxx	Xxx

4. COMPENSATION OF EMPLOYEES

	Description	2020 - 2021	2019 - 2020
		Kshs	Kshs
2110201	NG-CDFC Basic staff salaries	3,273,175.60	2,123,676
	Personal allowances paid as part of salary		
2110301	House allowance	-	172,876
2110314	Transport allowance	-	-
2110320	Leave allowance	-	-
2710120	Gratuity-contractual employees	1,183,874.60	-
2120101	Employer Contributions Compulsory national social security schemes	-	-
	TOTAL	4,457,050.20	2,296,551

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	Description	2020 - 2021	2019 - 2020
		Kshs	Kshs
2210100	Utilities, supplies and services	450,000.00	470,000
2210101	Electricity		250,000
2210102	Water & sewerage charges		470,000
2210104	Office rent		320,000
2210200	Communication, supplies and services	250,000.00	0
2210300	Domestic travel and subsistence	450,000.00	0
2210500	Printing, advertising and information supplies & services	350,000.00	0
2210600	Rentals of produced assets		-
2210700	Training expenses	2,500,000.00	2,500,000
2210800	Hospitality supplies and services	280,000.00	300,000
2210802	Other committee expenses	1,500,000.00	1,560,000
2210809	Committee allowance	750,000.00	1,000,000
2210900	Insurance costs		-
2211000	Specialised materials and services	100,000.00	120,000
2211100	Office and general supplies and services	450,000.00	480,000
2211200	Fuel , oil & lubricants	450,000.00	480,000
2211300	Other operating expenses	-	0
2211301	Bank service commission and charges	-	0
2211310	Other Operating Expenses	750,580.00	2,750,000
2211313	Security operations		2
2220100	Routine maintenance - vehicles and other transport equipment	500,000.00	566,859
2220200	Routine maintenance- other assets	380,000.00	450,000
	TOTAL	9,160,580.00	11,716,859

Kuria East Constituency**National Government Constituencies Development Fund (NGCDF)****Reports and Financial Statements for the Year Ended June 30, 2021****NOTES TO THE FINANCIAL STATEMENTS (Continued)****6 / 1. TRANSFER TO OTHER GOVERNMENT ENTITIES**

	Description	2020 - 2021	2019 - 2020
		Kshs	Kshs
2630204	Transfers to Primary Schools	31,778,541.00	50,290,000
2630205	Transfers to Secondary Schools	38,822,348.00	29,650,000
2630206	Transfers to Tertiary Institutions	3,500,000.00	1,500,000
	TOTAL	74,100,889.00	81,440,000

7 / 2. OTHER GRANTS AND OTHER PAYMENTS

	Description	2020 - 2021	2019 - 2020
		Kshs	Kshs
2640101	Bursary - Secondary (see attached list)	14,113,190.00	16,086,200
2640102	Bursary -Tertiary (see attached list)	15,704,600.00	10,900,000
2640104	Bursary- Special Schools	-	2,087,000
2640105	Mocks & CAT (see attached list)	-	-
	Social Security programmes (NHIF)		-
2640507	Security Projects (see attached list)	13,534,209.00	2,700,000
2640509	Sports Projects (see attached list)	1,785,000.00	1,000,000
2640510	Environment Projects (see attached list)	-	-
2640200	Emergency Projects (see attached list)	7,272,999.00	9,000,000
	TOTAL	52,409,998.00	41,773,200

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
Closing cash book bank balance		Kshs (30/6/2021)	Kshs (30/6/2020)
<i>Kenya Commercial Bank, Kehancha Branch .Kuria East NG-CDF</i>	<i>A/C no.1147942986</i>	1,040,587.00	9,801,380
		-	-
		-	-
TOTAL		1,040,587.00	9,801,380

Kuria East Constituency

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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18. BALANCES BROUGHT FORWARD

	2020- 2021	2019- 2020
Opening cash book bank balance	Kshs (1/7/2020)	Kshs (1/7/2019)
Bank accounts	9,801,380.00	1,287,115
TOTAL	9,801,380.00	1,287,115

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees		
Use of goods and services	-	824,343
Amounts due to other Government entities (see attached list)	42,759,111	31,260,000
Amounts due to other grants and other transfers (see attached list)	11,824,263	15,283,381
Acquisition of assets		
Others (<i>specify</i>)		
Funds pending approval		
	54,583,374	47,367,724

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

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	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	4,512,829	6,453,515
Total	4,512,829	6,453,515

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
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 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

**Kuria East Constituency
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
		Kshs	Kshs	
1.0 Administration and Recurrent				
Compensation of employees		824,343		
Use of goods and services			1,380	
Emergency			80,792	
Sport		740,148	661,821	
Environment			2,000,000	
7.0 Primary Schools Projects			-	
	Delay in receipt of funds	500,000	-	
GETONGORAMA PRI	Delay in receipt of funds		450,000	
KEGONCHE PRIMARY	Delay in receipt of funds		1,200,000	
CHINATO PRIMARY	Delay in receipt of funds	500,000	2,900,000	
IGENA ITAMBE PRIMARY	Delay in receipt of funds	1,000,000	-	
KENDEGE PRIMARY	Delay in receipt of funds	500,000	-	
KEGONGA PRIMARY	Delay in receipt of funds	500,000	-	

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KIONYO PRIMARY	Delay in receipt of funds		600,000	
KOMORAMA PRIMARY	Delay in receipt of funds	1,152,441	-	
KUGITIMO PRIMARY	Delay in receipt of funds	1,500,000	-	
NYAMOTAMBE PRIMARY	Delay in receipt of funds	850,000	-	
MOTARAKWA PRIMARY	Delay in receipt of funds	500,000	2,000,000	
MUTINITI PRIMARY	Delay in receipt of funds	900,000	-	
NTIMARU PRIMARY	Delay in receipt of funds	500,000	-	
NYAITARA PRIMARY	Delay in receipt of funds	500,000	250,000	
SAKURI PRIMARY	Delay in receipt of funds	500,000	-	
WANGIRABOSE PRIMARY	Delay in receipt of funds	500,000	-	
GIBARORI PRIMARY	Delay in receipt of funds	500,000	-	
IHORE BOARDING	Delay in receipt of funds	660,000	60,000	
TARAGAI PRIMARY	Delay in receipt of funds	650,000	-	

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GETAMBWEGA PRIMARY	Delay in receipt of funds	500,000	-	
BIKARABWA PRIMARY	Delay in receipt of funds		500,000	
GURETTA PRIMARY	Delay in receipt of funds	1,000,000	-	
NYAMTIRO BOARDING PRIMARY	Delay in receipt of funds	3,000,000	4,773,900	
NYAMAGOGWI PRIMARY	Delay in receipt of funds	1,500,000	-	
KONGORI PRIMARY	Delay in receipt of funds		1,500,000	
KEBARISIA PRIMARY	Delay in receipt of funds		2,000,000	
NYAMARANYA PRIMARY	Delay in receipt of funds		2,000,000	
SIABAI PRIMARY	Delay in receipt of funds	500,000	-	
GWITEMBE PRIMARY	Delay in receipt of funds	500,000	500,000	
KEBAROTI PRIMARY	Delay in receipt of funds	500,000	500,000	
IHORE PRIMARY	Delay in receipt of funds	500,000	500,000	
Total		19,212,441	19,733,900	
Secondary Projects				

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NYAMANGA SECONDARY	Delay in receipt of funds		400,000	
GIBARORI SECONDARY	Delay in receipt of funds	1,320,000	-	
GOKEHARAKA SECONDARY	Delay in receipt of funds	2,000,000	3,000,000	
GUANA SECONDARY	Delay in receipt of funds		1,580,000	
IGENA ITAMBE SECONDARY	Delay in receipt of funds		900,000	
KEGONGA SECONDARY	Delay in receipt of funds	3,100,000	3,100,000	
KEMAKOBA SECONDARY	Delay in receipt of funds		580,000	
KWIHO SECONDARY	Delay in receipt of funds		1,000,000	
NGURUNA SECONDARY	Delay in receipt of funds		2,007,502	
MATARE BOYS	Delay in receipt of funds	3,000,000	3,710,150	
NGUKUMAHANDO SECONDARY	Delay in receipt of funds	690,000	-	
NYAMANGA SECONDARY	Delay in receipt of funds		2,670,000	
NYAMAGONGWI SECONDARY	Delay in receipt of funds		1,580,000	

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SAKURI GIRLS	Delay in receipt of funds	500,000	-	
WANGIRABOSE SECONDARY	Delay in receipt of funds	300,000	5,300,000	
SERONGA SECONDARY	Delay in receipt of funds		900,000	
ST JOSEPH SECONDARY	Delay in receipt of funds		2,000,000	
TOTAL		10,910,000	23,387,652	
TECHNICAL COLLEGE				
1.Kendege TTI	Delay in receipt of funds	3,500,000	-	
2.KEGONGA KMTC	Delay in receipt of funds		5,000,000	
3.KEGONGA LAW COURT	Delay in receipt of funds	3,000,000	5,000,000	
TOTAL SECURITY		3,000,000	10,000,000	
			-	
1.Nyabasi West Chiefs office	Delay in receipt of funds	1,000,000	1,100,000	
2.Nyaitara Assistant	Delay in receipt of funds	800,000	700,000	
3.Kebaroti Chiefs Office	Delay in receipt of funds	1,300,000	-	
5.Assistant County Commissioner Residence Chinato			-	

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6. Makararangwe chiefs office	Delay in receipt of funds	1,800,000	-	
7. Kemakoba Assistant Chiefs Office	Delay in receipt of funds	2,700,000	-	
8. Ntimaru Central Chiefs Office	Delay in receipt of funds	1,500,000		
9. Gwitembe Police	Delay in receipt of funds		15,791	
Total		9,100,000	1,815,791	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Addition During the year	disposal During the year	Historical Cost
	(Kshs)			(Kshs)
	2020/2021			2019/2020
Transport equipment	5,120,464.00	-	-	5,120,464.00
Office equipment, furniture and fittings	432,382.00	-	-	992,382
ICT Equipment, Software and Other ICT Assets	312,498.00			312,498.00
TOTAL	6,425,344	-	-	6,425,344

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

S/NO	PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
1.	ASSISTANT COUNTY COMMISSIONER CHINATO	KCB	1134134723	23,148	0.00
2.	BIKARABWA PRI	KCB	1134161905	24,156	3082.00
3.	CHINATO PRIMARY	KCB	1205086897	47,870	1069.50
4.	GETAMBWEGA PRIMARY	KCB	1134426089	14,235	633,009.50
5.	GOKEHARAKA SECONDARY	KCB	1128057883	1,860.	543,512.00
6.	GUANA SECONDARY	KCB	1280927607	272,395	0.00
7.	GURETTA PRIMARY	KCB	1125487623	12,548	14,230
8.	IGENA ITAMBE PRIMARY	KCB	1150203366	220,177	150,725.00
9.	KEBAROTI CHIEFS OFFICE	KCB	1137837152	384,456	834.00
10	KEGONCHE PRIMARY	KCB	1177373831	50,629	44,754.50
11	KEGONGA BOYS	KCB	1117859169	161,753	89,131.00
12	KEGONGA PRIMARY	KCB	1112404112	331844	2190
13	KEMAKOBA ASS CHIEF OFFICE	KCB	1113625421	45,245	0.00
14	KEMAKOBA PRIMARY	KCB	1132447283	49,114	583,988
15	KENDEGE PRIMARY	KCB	1154316092	555,571	70348
16	KENDEGE TTI	KCB	1123546235	24,131	14,123
17	KIONYO PRIMARY	KCB	1112955560	98118	4244
18	KOROMANGUCHA PRIMARY	KCB	1171595174	89354	6200
19	KUGITIMO PRIMARY	KCB	1134549806	67103	3995
20	KWIHO SECONDARY	KCB	1177971739	2103	2000469
21	MAKARARANGWE CHIEFS OFFICE	KCB	11235678425	8,120	4,564
22	MATARE BOYS	KCB	1117690873	4,588	493,400
23	MOTARAKWA PRIMARY	KCB	1171352271	25,652	3,720
24	MUTINITI PRIMARY	KCB	1133429939	86,453	6,277
25	NGUKU MAHANDO PRIMARY	KCB	1133553117	69,473	43,249
26	NGUKU MAHANDO SECONDARY	KCB	1134568947	12,912	0.00
27	NGURUNA PRIMARY	KCB	1167436024	263,899	4,025
28	NTIMARU CENTRAL CHIEFS OFFICE	KCB	1279386967	70,396	250,000
29	NTIMARU PRIMARY	KCB	1137241853	5,925	1,145
30	NYABASI WEST CHIEFS OFFICE	KCB	1228723567	1,624	249,000
31	NYAITARA ASSIS CHIEF	KCB	1286029937	186,395	0.00
32	NYAITARA PRIMARY	KCB	1171602219	86,810	9,188
33	NYAMAGENGA PRIMARY	KCB	1112913750	235625	1112.50

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34	NYAMAGENGA SECONDARY	KCB	1137568054	1,420	0.00
35	NYAMAGONGWI PRIMARY	KCB	1133752314	274,856	3,134
36	NYAMAGONGWI SECONDARY	KCB	1136892342	14,283	0.00
37	SAKURI GIRLS	KCB	1175231525	12,355	501,000
38	SAKURI PRIMARY	KCB	1178266028	1,270	0.00
39	SERONGA PRIMARY	KCB	1106377532	136,484	36,710
40	TARAGAI PRIMARY	KCB	1133455972	495,835	325,166
41	WANGIRABOSE PRIMARY	KCB	1113220082	6,916	6,242
42	WANGIRABOSE SECONDARY	KCB	1117205835	35,728	348,516
	TOTAL			4,512,829	6,453,515

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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)
Kisii/Kuria East - NGCDF/ 2019/2020/ (2)	<p>The summary statement of appropriation- recurrent and development combined reflects original expenditure budget of Kshs. 137,367,724, an adjustment of Kshs. 42,740,876 bringing the total approved final expenditure budget to Kshs.180, 108,600. However, the adjustment of Kshs. 42,740,876 was not supported with approved code list indicating the individual components/projects which were to be funded in 2019/2020 financial year.</p> <p>In the absence of approved code list, the accuracy and completeness of the adjustment of Kshs. 42,740,876 could not be ascertained.</p>	<p>I wish to state that the adjustment of Kshs.42,740,876 relates to the projects approved in FY 2019/2020 but due to delay in receive of funds the projects implementations was done in 2020/2021 financial year. The code list is hereby attached for review and verification.</p>	Resolved	

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Reports and Financial Statements for the Year Ended June 30, 2021

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)
Kisii/Kuria East - NGCDF/ 2019/2020/ (2)	<p>The statement of comparative budget and actual amounts for the year under review reflects total budgeted receipts of Kshs. 180,108,600 and actual receipts of Kshs. 145,740,876 resulting to under receipts of Kshs. 34,367,724 or 19%.</p> <p>The fund failed to actualize its budget by Kshs. 34,367,724 or 19% an indication that some of the programs and activities that had been planned were not implemented. There is need therefore for the management or fund to review its budget making process with a view to formulating a realistic budget that would be actualized for service delivery to the stakeholders</p>	<p>I wish to state that the under absorption of funds of kshs.42,642,225 was because of delay in receive of the funds by the board. The project implementation was done in FY 2020/202.</p>	Resolved	
Kisii/Kuria East - NGCDF/	The statement of receipts and payments reflects under	I wish to state that the project	Resolved	

Kuria East Constituency

National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for the Year Ended June 30, 2021

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2019/2020/ (2)	transfers to other government units' expenditure of Kshs. 81,440,000 for the year ended 30 June 2020. The expenditure includes an amount of Kshs.5,000,000 which was transferred to the PMC account of Matate Boys Secondary school being additional funds for the construction of one storey 300 capacity boy's dormitory for slabbing of first floor, walling, fixing doors, windows, plastering both internal and external, tiling and painting as per the code list. physical verification done on 4 February 2021 revealed that the construction of one storey 300 capacity boys dormitory ongoing, however fixing of doors, windows, plastering both internal and external, tiling and painting had not been done Contractor not in site, project is	has been considered for additional funding for completion of the project FY 20202021		

***Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for the Year Ended June 30, 2021***

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>incomplete and is yet to be put to intended use</p> <p>Consequently, the value for money of Kshs.5,000, 000 expenditures for the year ended 30 June 2020 could not be confirmed.</p>			