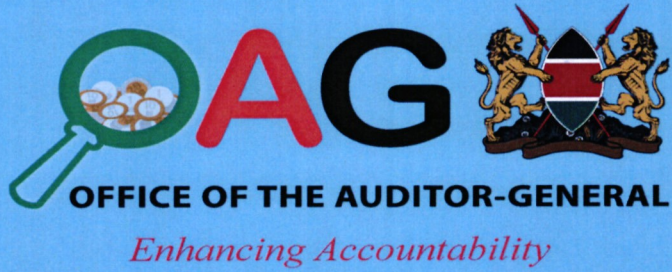



REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

 THE NATIONAL ASSEMBLY	
DATE: 05 JUL 2023	DAY: WED
TABLED BY: Hon Owen Baya, CBS, MP Deputy leader, majority	
CLERK AT THE TABLE: Finlays Munuki	

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – CHANGAMWE CONSTITUENCY**

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



CHANGAMWE CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

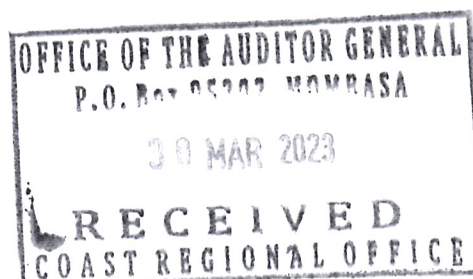


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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

Key Constituency Information and Management (continued)

- 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 Changamwe 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)

Key Constituency Information and Management (continued)

(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	Abdulhakim Ali
2.	Sub-County Accountant	Julius Tuei
3.	Chairman NGCDFC	Khalid Kabanda
4.	Member NGCDFC	Ali Hussein

(d) Fiduciary Oversight Arrangements

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

P.O. Box 82742-80100
Fidelity Building
Airport Road
Mombasa, KENYA

(f) Changamwe Constituency NGCDF Contacts

Telephone: (254) 742636623
E-mail: cdfchangamwe@ngcdf.go.ke
Website: www.ngcdfchangamwe.go.ke

Key Constituency Information and Management (continued)

(g) Changamwe Constituency NGCDF Bankers

EQUITY Bank
CHANGAMWE Branch
P. O. Box 92222-80102
MOMBASA, KENYA

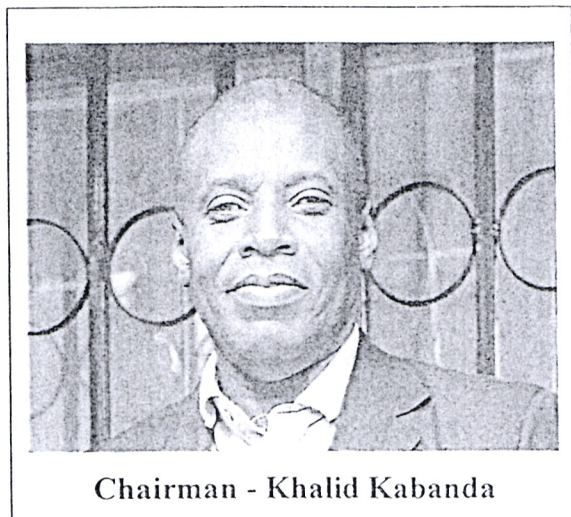
(h) Independent Auditors

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.



Chairman - Khalid Kabanda

CHANGAMWE NGCDFC was allocated Kshs. 137,088,879 by the NG-CDF Board. Out of this amount, Kshs. 107,088,879 was disbursed to the constituency by the end of the financial year. In addition, funds relating to the previous financial years totalling Kshs. 46,688,881 were disbursed to the account during the financial year. The constituency also managed to raise Kshs. 65,000 from the sale of tender documents. In total, the Constituency received Kshs. 153,777,758 and spent Kshs. 177,631,687. The constituency was owed Kshs. 30,000,000 by the Board at the end of the financial year which was waiting for approval. There was a budget un-utilisation of Kshs.

57,571,869.

CHANGAMWE NG-CDFC

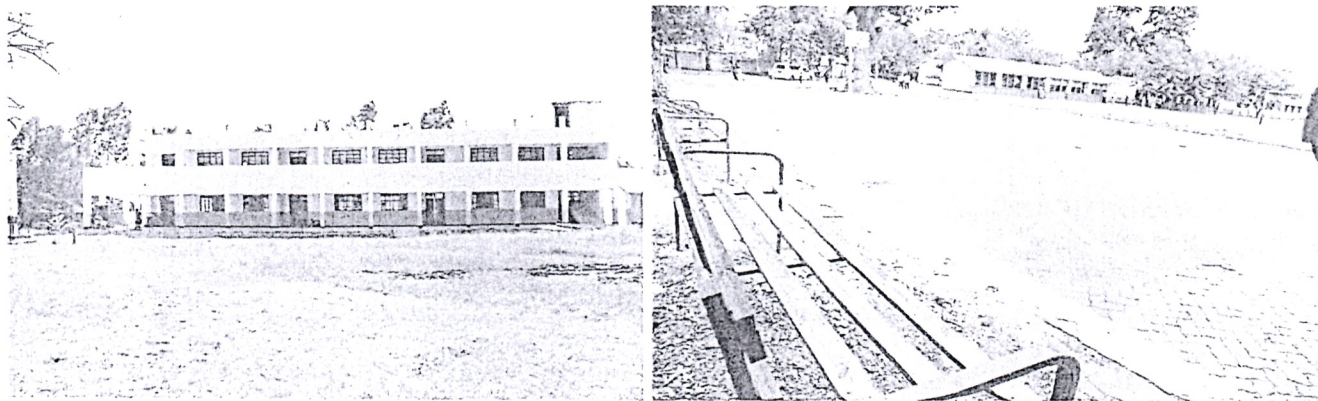
Allocation Current Yr	137,088,879
Disbursed-2021/2022	107,088,879
Disbursed-2020/2021(Bal.)	46,688,8
Total Expenditure	177,631,687
Deficit	30,000,000
sales of tender Docs	65,000

The NG-CDFC disbursed the funds to various PMCs upon receipt of the various AIEs and also undertook bursary disbursement in order to improve retention levels of needy students in various institutions of learning.

A key achievement that has been realised is the start of implementation of our 2 landmark projects, NG-CDFC Office Block and Changamwe Secondary School Swimming Pool which had faced major challenge in lack of land. The two projects are now on course. NG-CDFC members and PMCs have

NG-CDFC Chairman's Report. (continued)

also been trained on the management of projects and correct tendering procedures embraced across the board.



Changamwe Girls Sec. School Classrooms & St. Lwanga Primary School Basketball Court

There still exist technical and bureaucracy issues influencing the implementation of NG-CDF Projects. There have been delays in disbursement of funds from Board level to constituency level. However, we have seen improvement during the last quarter of the financial year. The constituency is also experiencing delays in Bill of Quantities preparation and project drawings by public works due to shortage of staff. We rely on works officer attached to the County government.

Main challenge in the Constituency remains the availability of both Public and Private land with rightful ownership documents. Other issue affecting the project implementation process is the general attitude of the public who have not clearly understood the difference between national government and county devolved roles.

The NG-CDFC is however grateful that the constituency has undertaken many projects from previous financial years which had delayed but we are hopeful that funds shall be disbursed by the NG-CDF Board in a timely manner to enable timely implementation of projects.

We hope that we shall perform better in the next financial year.

Signature

KHALID KABANDA
CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

The key development objectives of *Changamwe Constituency 2019-2024* plan are to:

- a) To improve school performance in national examinations through improving the environment in which learning takes place
- b) To increase youth and women participation in development
- c) To improve infrastructure within the constituency through building of classrooms, and resource centers
- d) To build capacity of the community to implement development projects
- e) To improve sport facilities in public institutions
- f) To build capacity of the community on Environmental issues in public institutions
- g) To build ICT infrastructure like i-hub in each ward for incubation of business ideas in public libraries and Resource centers

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:

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

Statement of Performance Against Predetermined Objectives for FY 2021/22 (continued)

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 21/22 we increased number of classrooms, dormitories, laboratories and Dining Halls from 38 to 48 in Kwahola Primary and Changamwe Girls Secondary Schools - Bursary beneficiaries at all levels were as per the attached schedules
Security	Improve the infrastructure of the National Government Administration Equip and facilitate the National Police service	Increased number of citizens getting services in the chiefs offices Increased officers deployed in the national administration	<ul style="list-style-type: none"> - Number of physical infrastructures built for chiefs in the constituency 	In f/y 2021/22 we supplied furniture and curtain blinds for Portreitz Chief's and Sub County Headquarters offices
Sports	To enhance talents of the youths in the constituency through infrastructure improvement	Increased number of youths participating in sporting activities	<ul style="list-style-type: none"> - Number of sports infrastructures built in the constituency 	In f/y 2021/22 we built a basketball court at St. Lwanga Primary School
Emergency	Utilization of emergency funds to mitigate disasters	Utilization of emergency funds to mitigate disasters	<ul style="list-style-type: none"> - Number of projects done in the constituency 	In f/y 2021/22 we did plumbing works for sub – county administration block which was facing closure due to poor sanitation. We built perimeter wall for Portreitz Integrated Secondary School whose wall had collapsed after heavy rains

Statement of Performance Against Predetermined Objectives for FY 2021/22 (continued)

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Changamwe 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.

2. Statement of Performance Against Predetermined Objectives for FY 2021/22 (continued)

- a. 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.

3. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- *NG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

4. Employee welfare

We invest in providing the best working environment for our employees. Changamwe 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. Changamwe constituency invests in capacity

Statement of Performance Against Predetermined Objectives for FY 2021/22 (continued)

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.

5. Market place practices-

Changamwe 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

6. Community Engagements-

Changamwe 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.

Statement of Performance Against Predetermined Objectives for FY 2021/22 (continued)

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.

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



Abdulhakim Ali

FAM

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-CHANGAMWE Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

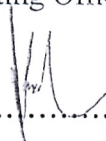
The Accounting Officer in charge of the NGCDF-CHANGAMWE Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting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

VI. Statement of Management Responsibilities (continued)

The Accounting Officer in charge of the NGCDF CHANGAMWE 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- CHANGAMWE Constituency financial statements were approved and signed by the Accounting Officer on 25/9/ 2022.



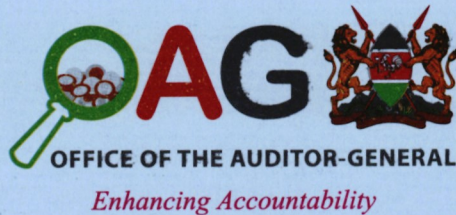
.....
Name: KHALID KABANDA
Chairman – NGCDF Committee



.....
Name: ABDULHAKIM ALI
Finance Account Manager

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - CHANGAMWE 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 National Government Constituencies Development Fund – Changamwe Constituency as set out on pages

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

1 to 34, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts 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 - Changamwe Constituency as at 30 June, 2022, and its financial performance and 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 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 - Changamwe 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. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.235,203,556 and Kshs.224,041,737 respectively, resulting in an under-funding of Kshs.11,161,819 or 5% of the budget. Similarly, the Fund expended Kshs.177,631,687 against an approved budget of Kshs.235,203,557, resulting to an under-expenditure of Kshs.57,571,870 or 25% of the budget.

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

2. Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(26) 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 Unexplained Non-Payment for the Construction of the Dining Hall

Review of the financial records revealed that the contract for construction of dining hall at St. Charles Lwanga Secondary School was awarded to a construction company at a contract sum of Kshs.12,745,120 on 11 June, 2022. A physical verification of the project in March, 2023 confirmed that the dining hall was complete and in use. However, the completion certificate was not provided for audit review. Further, the records indicated that the last certificate No.6 of Kshs.2,674,872 was issued on 23 June, 2022, but the contractor had not been paid outstanding amount of Kshs.3,927,384 by March, 2023, that includes total retention monies of Kshs.1,252,512. This was despite the fact that the total contract sum of Kshs.12,745,120 had been transferred to the Project Management Committee account on 2 July, 2020. No explanation was provided for the non-payment.

In the circumstances, Management was in breach of the terms of the contract agreement.

2.0 Failure to Deduct Retention Monies

The statement of receipts and payments and Note 6 to the financial statements reflects transfers to other Government units of Kshs.61,822,774. Included in the balance is an amount of Kshs.1,450,000 for the proposed kitchen works at St. Charles Lwanga Secondary School whose contract was awarded on 26 July, 2022 at a contract sum of Kshs.1,450,000. Review of the records revealed that the contractor issued an invoice on 1 September, 2022 for Kshs.1,450,000 and payment made on 7 September, 2022. However, the contractor did not issue a tax invoice nor did Management explain why retention money was not deducted before payment to the contractor. Further, during project inspection in March, 2023, it was observed that the project was complete and in use. However, one four-burner LPG commercial cooker and one chaste freezer all valued at Kshs.169,000 were not provided for verification.

In the circumstances, Management did not comply with the provisions of the contract agreement on retention monies.

3.0 Non-Payment of Taxes

The statement of receipts and payments and Note 6 to the financial statements reflects transfers to other Government units of Kshs.61,822,774. Included in the balance is an amount of Kshs.1,470,000 for the purchase of forty (40) double-decker metallic beds, fifty

(50) medium density mattresses, four (4) white boards, installation of six (6) soft boards, fifty (50) lab stools and electricity connection to grid at Port Reitz Secondary School. However, the payment was not supported with a tax invoice.

In the circumstances, it was not possible to confirm that relevant taxes were remitted to Kenya Revenue Authority.

4.0 Abandoned Project

The statement of receipts and payments and Note 6 to the financial statements reflects transfers to other Government units of Kshs.61,822,774 out of which an amount of Kshs.33,094,967 was in respect of transfers to primary schools. Included in the balance of Kshs.10,000,240 that was transferred to Kwahola Primary School for the proposed construction of four classrooms and ramp upto the first floor. The tender was advertised in the public portal on 24 March, 2022, opened on 1 April, 2022 and awarded on 11 May, 2022. The project was to take eight (8) weeks from 11 May, 2022 to 30 June, 2022. However, as at 16 March, 2023, the project was not complete, the contractor was not on site and no evidence was provided to indicate that Management cautioned the contractor for delayed implementation of the project.

In the circumstances, value for money on the expenditure of Kshs.10,000,240 on the project could not be confirmed.

5.0 Unutilized Funds

The statement of receipts and payments and Note 3 to the financial statements reflects other receipts amounting to Kshs.18,903,182, which include an amount of Kshs.18,838,182 on returned unutilized funds from Project Management Committees (PMCs). Records provided for review indicated that Kshs.13,339,583 of the funds were from Airport Primary School PMC Account that were transferred in the financial years 2013/2014 and 2015/2016 of Kshs.10,339,583 and Kshs.3,000,000 respectively, all totalling Kshs.13,339,583. However, Management did not explain why the amounts remained idle in the PMC account for over five years before being returned to the main account. This was in contravention of Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires that all unutilized funds of the Project Management Committee shall be returned to the constituency account.

In the circumstances, value for money was not achieved on the unutilized funds of Kshs.13,339,583 and 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 such internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the ability of the Fund 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 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 describes 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 the 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 transaction and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks or 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 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 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 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

13 June, 2023

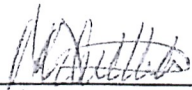
*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*


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


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	153,777,758.00	168,767,724.00
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	<u>18,903,183.00</u>	<u>674,000.00</u>
Total Receipts		172,680,941.00	169,441,724
Payments			
Compensation Of Employees	4	5,811,605.00	2,633,824.00
Use Of Goods and Services	5	10,931,129.00	10,289,179.00
Transfers To Other Government Units	6	61,822,774.00	90,475,981.00
Other Grants and Transfers	7	99,066,179.00	71,663,972.00
Acquisition Of Assets	8	-	15,000,000.00
Other Payments	9	-	495,800
Total Payments		177,631,687.00	190,558,756
Surplus/(Deficit)		<u>(4,950,745.00)</u>	<u>(21,117,032)</u>

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 25/9/ 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Abdulhakim Ali

Name: Julius Tuei
ICPAK M/No: 20618

Name: Khalid Kabanda

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

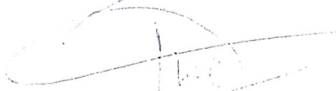
IX. Statement of Assets and Liabilities As At 30th June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	27,571,869.00	32,522,614.00
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		27,571,869.00	32,522,614.00
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		27,571,869.00	32,522,614.00
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		<u>27,571,869.00</u>	<u>32,522,614.00</u>
Represented By			
Fund Balance B/Fwd	13	32,522,614.00	53,639,646.00
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(4,950,745)	(21,117,032)
Net Financial Position		<u>27,571,869.00</u>	<u>32,522,614.00</u>

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 25/9/ 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Abdulhakim Ali

Name: Julius Twei
ICPAK M/No:

Name: Khalid Kabanda

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

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

Receipts/Payments	Original Budget a	Adjustments B		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilizat ion f=d/c %
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding disbursements Kshs				
Receipts	2021/2022			2021/2022	30/06/2022		
Transfers From NGCDF Board	137,088,879.00	51,360,796	46,688,881.00	235,138,556.00	205,138,554.00	30,000,002.00	87.2%
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts		65,000		65,000	18,903,183.00	(18,838,183.00)	
Totals	137,088,879.00	51,425,796.00	46,688,881.00	235,203,556.00	224,041,737.00	11,161,819.00	95.3%
Payments							
Compensation Of-Employees	4,293,333.00	3,388,670.00	1,143,333.00	8,825,336.00	5,811,604.00	3,013,732.00	65.9%
Use Of Goods and Services	8,044,666.00	2,344,066.00	2,142,001.00	12,530,733.00	10,931,129.00	1,599,603	87.2%
Transfers To Other Government Units	40,799,000.00	27,731,557.00	3,630,400.00	72,160,957.00	61,822,774.00	10,338,183.00	85.7%
Other Grants and Transfers	53,951,880.00	17,479,957.00	39,773,147.00	111,204,985.00	99,066,179.00	12,138,805.00	89.1%
Acquisition Of Assets				0.00	-	-	0.0%
Other Payments		18,200.00		18,200.00		18,200	
Funds Pending Approval**	30,000,000.00	463,347.00		30,463,347.00	-	30,463,347.00	0.0%
Totals	137,088,879.00	51,425,797.00	46,688,881.00	235,203,557.00	177,631,687.00	57,571,870.00	75.5%

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

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

Summary Statement of Appropriation for the Year Ended 30th June 2022 (continued)

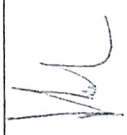
- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- (Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	57,571,870.00
Less undisbursed funds receivable from the Board as at 30 th June 2022	30,000,002.00
	27,571,869.00
Add Accounts payable	0.00
Less Accounts Receivable	0.00
Add/Less Prior Year Adjustments	0.00
Cash and Cash Equivalents at the end of the FY 2021/2022	27,571,869.00

The Constituency financial statements were approved on 28/7/2022 and signed by:







Fund Account Manager

National Sub-County Accountant

Chairman NG-CDF Committee

Name: Abdulhakim Ali

Name: Julius Twei
ICPAK M/No:

Name: Khalid Kabanda

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

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

	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	153,777,758.00	168,767,724.00
Other Receipts	3	18,903,183.00	674,000.00
Total Receipts		172,680,941.00	169,441,724.00
Payments			
Compensation Of Employees	4	5,811,604.00	2,633,824.00
Use Of Goods and Services	5	10,931,129.00	10,289,179.00
Transfers To Other Government Units	6	61,822,774.00	90,475,981.00
Other Grants and Transfers	7	99,066,179.00	71,663,972.00
Other Payments	9	-	495,800.00
Total Payments		177,631,687.00	175,558,756.00
Total Receipts Less Total Payments			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(4,950,745.00)	(6,117,032.00)
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	-	(15,000,000.00)
Net Cash Flows from Investing Activities		-	(15,000,000.00)
Net Increase In Cash And Cash Equivalent		(4,950,745.00)	(21,117,032.00)
Cash & Cash Equivalent At Start Of The Year	10	32,522,614.00	53,639,646.00
Cash & Cash Equivalent At End Of The Year	10	<u>27,571,869.00</u>	<u>32,522,614.00</u>

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

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


Statement of Cash Flows for the Year Ended 30th June 2022 (continued)

The Constituency financial statements were approved on 25/9/ 2022 and signed by:



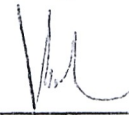
Fund Account Manager

Name: Abdulhakim Ali



National Sub-County Accountant

Name: Julius Tuei
ICPAK M/No:



Chairman NG-CDF Committee

Name: Khalid Kabanda

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

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,293,333.00	3,388,670.00	1,143,333.00	8,825,335.00	5,811,604.00	3,013,732.00
1.2 Committee allowances	1,054,000.00	282,022	872,000.00	2,208,022.00	1,451,240.00	756,782.00
1.3 Use of goods and services	2,878,000.00	928,242.00		3,806,242.00	3,479,189.00	327,053.00
2.0 Monitoring and evaluation						
2.1 Capacity building	1,191,000.00	229,205.00	1,200,000.00	2,620,205.00	2,198,400.00	421,805.00
2.2 Committee allowances	2,851,666.00	904,598.00	70,001.00	3,826,265.00	3,802,300.00	23,965.00
2.3 Use of goods and services	70,000.00			70,000.00		70,000.00
3.0 Emergency	7,192,207.00		1.00	7,192,208.00	5,250,000.00	1,942,208.00
3.1 Primary Schools	16,750,000.00	4,601,167.00	11,743,800.00	33,094,967.00	33,094,967.00	-
3.2 Secondary schools	23,884,000.00	3,120,000.00	10,724,782.00	37,728,782.00	27,390,600.00	10,338,182.00
3.3 Tertiary institutions	165,000.00	1,172,207.00		1,337,207.00	1,337,207.00	0
3.4 Security projects	1,820,000.00	6,000,000.00	100,200.00	7,920,200.00	1,920,200.00	6,000,000.00
4.0 Bursary and Social Security						
4.1 Special Needs	500,000.00		396,200.00	896,200.00	896,202.00	(2)

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.2 Secondary Schools	28,589,673.00	11,479,957.24	14,662,870.00	54,732,500.00	54,732,500.00	0
4.3 Tertiary Institutions	15,000,000.00		12,866,099.00	27,866,099.00	25,657,500.00	2,208,599.00
4.4 Universities						
4.5 Social Security			9,000,000.00	9,000,000.00	7,012,000.00	1,988,000.00
5.0 Sports	850,000.00		2,747,778.00	3,597,778.00	3,597,777.00	0
5.1						
6.0 Environment				-		-
7.0 Primary Schools Projects (List all the Projects)						
7.1 Kwahola Primary School	10,100,000.00			10,100,000.00	10,100,000.00	-
7.2 Bomu Primary School	1,500,000.00			1,500,000.00	1,500,000.00	-
7.3 Mikadini Primary School	390,000.00			390,000.00	390,000.00	-
7.4 Kwahola Primary School	910,000.00			910,000.00	910,000.00	-
7.5 Changamwe Primary School	1,350,000.00			1,350,000.00	1,350,000.00	-
7.6 Bomu Primary School	2,500,000.00			2,500,000.00	2,500,000.00	-
7.7 Gome Primary School			2,700,000.00	2,700,000.00	2,700,000.00	-
7.8 Gome Primary School			125,000.00	125,000.00	125,000.00	-
7.9 St. Charles Lwanga Primary School			125,000.00	125,000.00	125,000.00	-
8.0 Mwingo Primary School			293,800.00	293,800.00	293,800.00	-
8.1 Gome Primary School		400,000.00		400,000.00	400,000.00	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.2 Kipevu Primary School		3,000,000.00		3,000,000.00	3,000,000.00	-
8.3 Milkadimi Primary School		800,250.00		800,250.00	800,250.00	-
8.4 Changamwe Primary School		3,000,000		3,000,000.00	3,000,000.00	-
8.5 Mwingo Primary School		5,500,000		5,500,000.00	5,500,000.00	-
8.6 Mwingo Primary School		400,917.00		400,917.00	400,917.00	-
9.0 Secondary Schools Projects (List all the Projects)						
9.1 Changamwe Secondary School	12,000,000.00			12,000,000.00	12,000,000.00	-
9.2 Changamwe Girls Secondary School	7,900,000.00			7,900,000.00	7,900,000.00	-
9.3 Changamwe Girls Secondary School	840,000.00			840,000.00	840,000.00	-
9.4 St. Charles Lwanga Secondary School	1,500,000.00			1,500,000.00	1,500,000.00	-
9.5 Changamwe Girls Secondary School	500,000.00			500,000.00	500,000.00	-
9.6 Changamwe Girls Secondary School	337,000.00			337,000.00	337,000.00	-
9.7 Portreitz Integrated Secondary School	500,000.00			500,000.00	500,000.00	-
9.8 Portreitz Integrated Secondary School	307,000.00			307,000.00	307,000.00	-
9.9 Changamwe Girls Secondary School			271,000.00	271,000.00	271,000.00	-
10.0 Chaani Secondary School			115,600.00	115,600.00	115,600.00	-
10.1 Portreitz Integrated Secondary School		1,740,000.00		1,740,000.00	1,740,000.00	-
10.2 Changamwe Girls Secondary School		780,000.00		780,000.00	780,000.00	-
10.3 Changamwe Girls Secondary School		600,000.00		600,000.00	600,000.00	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
10.4 Changamwe secondary		10,338,182		10,338,182		10,338,182
11.0 Tertiary institutions Projects (List all the Projects)						
11.1 Changamwe Youth Resource Centre	165,000.00			165,000.00	165,000.00	-
11.2 Changamwe Youth Resource Centre		1,172,207.00		1,172,207.00	1,172,207.00	-
12.0 Security Projects						
12.1 Changamwe Sub County Headquarters	955,000.00			955,000.00	955,000.00	-
12.2 Changamwe Sub County Headquarters	700,000.00			700,000.00	700,000.00	-
12.3 Portreitz Chief's Office	165,000.00			165,000.00	165,000.00	-
12.4 Changamwe Chief's Office			100,200.00	100,200.00	100,200.00	-
12.5 Bomu Police Post		6,000,000.00		6,000,000.00		6,000,000.00
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan		18,200.00		18,200.00		18,200.00
12.2 Innovation Hub						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Funds pending approval**	30,000,000			30,000,000		30,000,000
Total	137,088,879	51,425,797	46,688,881	235,203,557	177,631,686	57,571,871

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies (continued)

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies (continued)

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies (continued)

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies (continued)

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

Significant Accounting Policies (continued)

14. Errors

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

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

15. Related Party Transactions

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

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO B096912		9,000,000.00
AIE NO B124740		3,000,000.00
AIE NO B124910		8,500,000.00
AIE NO B124820		69,367,724.00
AIE NO B132111		6,000,000.00
AIE NO B128056		6,900,000.00
AIE NO B128366		10,000,000.00
AIE NO B119765		12,000,000.00
AIE NO B138779		12,000,000.00
AIE NO B140510		13,000,000.00
AIE NO B126074		8,000,000.00
AIE NO B126364		11,000,000.00
AIE NO B140857	34,000,000.00	
AIE NO B105422	44,000,000.00	
AIE NO B 105742	24,000,000.00	
AIE NO B 132466	5,000,000.00	
AIE NO B 128781	12,000,000.00	
AIE NO B 154382	12,000,000.00	
AIE NO B 154277	10,088,879.00	
AIE NO B 155930	12,688,879.00	
TOTAL	153,777,758.00	168,767,724.00

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)		
Total	0	0

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	65,000.00	74,000.00
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	18,838,182.00	600,000.00
Other Receipts Not Classified Elsewhere	0.45	-
Total	18,903,183.00	674,000.00

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,170,832.00	1,863,404.00
Personal allowances paid as part of salary		
House Allowance	746,880.00	296,180.00
Transport Allowance	342,000.00	234,000.00
Medical allowance	228,000.00	156,000.00
Gratuity to contractual employees	1,197,531.00	-
Employer Contributions Compulsory national social security schemes	126,360.00	84,240.00
Total	5,811,604.00	2,633,824.00

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	35,188.00	86,110.00
Communication, supplies and services	116,389.00	149,260.00
Domestic travel and subsistence	310,930.00	644,800.00
Printing, advertising and information supplies & services	28,000.00	38,650.00
Rentals of produced assets	720,100.00	557,900.00
Training expenses	2,198,400.00	1,911,800.00
Hospitality supplies and services	62,716.00	259,892.00
Other committee expenses	3,802,300.00	2,927,000.00
Committee allowance	1,451,240.00	874,000.00
Insurance costs	238,509.00	243,149.00
Office and general supplies and services	415,107.00	311,058.00
Other operating expenses	0	0
Electricity	39,200.00	17,250.00
Office Rent	850,000.00	600,000.00
Fuel, oil & lubricants	350,000.00	498,000.00
Bank service commission charges	35,282.00	26,290.00
Routine maintenance – vehicles and other transport equipment	233,268.00	188,670.00
Routine maintenance – other assets	44,500.00	955,350.00
Total	10,931,129.00	10,289,179.00

Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	33,094,967.00	52,388,441.00
Transfers To Secondary Schools (See Attached List)	27,390,600.00	28,410,512.00
Transfers To Tertiary Institutions (See Attached List)	1,337,207.00	9,677,027.00
Total	61,822,774.00	90,475,981.00

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	54,732,500.00	23,631,000.00
Bursary – tertiary institutions (see attached list)	25,657,500.00	22,860,340.00
Bursary – special schools (see attached list)	896,200.00	763,000.00
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	7,012,000.00	8,400,000.00
Security projects (see attached list)	1,920,200.00	8,014,500.00
Sports projects (see attached list)	3,597,780.00	-
Environment projects (see attached list)	-	5,495,132.00
Emergency projects (see attached list)	5,250,000.00	2,500,000.00
Total	99,066,179.00	71,663,972.00

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	15,000,000.00
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	0	15,000,000.00

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	495,800.00
ICT Hub	-	-
	0	495,800.00

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
Equity Bank, A/C no 120026040478	27,571,869.00	32,522,614.00
Total	27,571,869.00	32,522,614.00
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	0	0
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

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

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

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

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	32,522,614.00	53,639,646.00
Cash in hand	-	-
Inprest	-	-
Total	32,522,614.00	53,639,646.00

[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	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	0	0	0

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
<u>Changes in Account Receivables E= D-A</u>	<u>xxx</u>	<u>xxx</u>

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	-	-
<u>Changes in Accounts Payable E= D-B</u>	<u>xxx</u>	<u>xxx</u>

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	-	300,000.00
Total	0	300,000.00

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others (gratuity)	1,566,203.7	1,399,237.00
Total	1,566,203.7	1,399,237.00

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	3,013,732	4,532,002.00
Use of goods and services	1,599,603.	4,709,237.00
Amounts due to other Government entities (see attached list)	10,338,183	7,479,700.00
Amounts due to other grants and other transfers (see attached list)	12,138,805	61,474,007.00
Acquisition of assets		-
Others (Strategic plan)		18,200.00
Funds pending approval	30,463,347	998,347.00
Total	57,553,670	79,211,493

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	106,433,610.20	140,088,578.00
Total	106,433,610.20	140,088,578.00

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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Annexes
Annexes: 1 Analysis of Pending Accounts Payable

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

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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.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		30,137,732	4,532,002.00	
Use of goods & services		1,599,603	4,709,237.00	
Amounts due to other Government entities		10,338,183	7,479,700.00	
Sub-Total		42,075,518	16,720,939.00	
Amounts due to other grants and other transfers		12,138,805	61,474,007.00	
Sub-Total		12,138,805	61,474,007.00	
Acquisition of assets				
Others (<i>strategic plan</i>)		18,200	18,200.00	
Sub-Total		18,200	18,200.00	
Funds pending approval		30,463,347	998,347.00	
Grand Total		57,553,670	79,211,493	

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	10,637,931.00	15,000,000	-	25,637,931.00
Transport equipment	5,196,240.00	-	-	5,196,240.00
Office equipment, furniture and fittings	556,148.00	-	-	556,148.00
ICT Equipment, Software and Other ICT Assets	1,425,791.00	-	-	1,425,791.00
Other Machinery and Equipment	135,000.00	-	-	135,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	17,951,110.00	15,000,000.00	0	32,951,110.00

*Changamwe Constituency National Government Constituencies Development Fund (NGCDF)
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Annex 5 –PMC Bank Balances As At 30th June 2022

ANNEX 5: PMC ACCOUNT BALANCE

Account Name	Bank	Account Number	2021/22	2020/21
Changamwe NG-CDF Sports	Equity	1200270982125	3,002,263.55	351,604.00
Mikadini Primary School	Equity	1200266908696	3,345,294.03	4,798,061.00
Gome Primary School	Equity	1200269370984	338,855.38	2,335,672.00
Kwahola Primary	Equity	1200266821577	9,689,734.40	188,551.00
Portreitz School for the Physically Handicapped	Equity	1200266876422	1,827.90	1,827.90
St. Lwanga Primary School	Equity	1200266876167	138,766.00	235,101.00
Kwa Omar Mwadunyo road	Equity	1200266825492	-	13,715.44
Magongo Soweto Road	Equity	1200263612956	-	665.00
Bomu Primary School	Equity	1200262576094	1,527,920.27	269,725.00
Changamwe Primary School	Equity	1200299363474	410,844.75	563,884.00
Mwijabu Primary School	Equity	1200262553498	483,649.65	5,207,081.00
Portreitz Primary School	Equity	1200262544690	249,780.00	249,780.00
St. Lwanga Full Primary School	Equity	1200262556674	-	3,770.00
Umoja Primary School	Equity	1200299367342	1,771,489.53	4,808,989.00
Portreitz District Hospital	Equity	1200262183698	463.00	463.00
Chaani Secondary School	Equity	1200262741593	2,580.00	227,520.00
Environment	Equity	1200273294142	2,955,543.80	341,983.00
Mlolongo Water	Equity	1200273125179	-	6,224.00

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Chaani Police Post	Equity	1200273215909	33,044.00	133,044.00
Changamwe Chiefs Office Project	Equity	1200272803837	1,030.00	630.00
Magongo Primary School	Equity	1200266849982	1,547,904.05	1,072,127.00
Kipevu Primary School	Equity	1200299291539	643,328.04	5,168,745.00
Chaani Primary School	Equity	1200262600306	250,897.10	5,132,327.00
St. Charles Lwanga secondary school CDF project ac.	Equity	1200262754244	5,631,456.60	13,072,800.45
Magongo Primary School	Equity	1200262562058	156,463.93	2,859,286.00
Changamwe ng-cdf office project	Equity	1200277786196	25,477,094.50	25,477,094.50
Changamwe Ng-CDF footbridge Project	Equity	1200271580382	39,055.00	39,055.00
Airport Chief's office Project	Equity	1200278570840	13,204.25	426,526.00
Secondary School Desk project	Equity	1200277748003	42,500.00	42,500.00
Changamwe Police Station	Equity	1200272845755	937.50	24,326.50
School desk project	Equity	1200270613448	782.50	6,627.00
Kagera, Changamwe, Hodi and Kalahari Project	Equity	1200274229592	19,821.00	19,821.60
Floodlights Ng -cdf Project Ac.	Equity	1200276627996	220.00	220.00
Kipevu Chief's Office	Equity	1200273112273	242,266.50	403,566.00
Mwijabu Secondary School	Equity	1200260621108	24,682.47	258,679.00
Bomu Secondary School	Equity	1200278643958	5,700,204.32	6,682,874.00
Changamwe Secondary School	Equity	1200298187384	12,078,105.18	577,897.00
AS Mwidani PMC Account	Equity	1200278983143	5,066,210.50	5,066,210.00

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Airport Primary School CDF Project	Co-operative	01141619394600	900.00	10,399,583.00
Bomu Secondary School CDF Project	Co-operative	01141619355800	24,540.00	24,540
Airport Secondary School CDF Project	Co-operative	01141619394600	195,670.00	1,738,813.60
Airport Secondary School	Equity	1200279674341	6,288,905.90	14,717,945.00
Hodi, Kagera, Kipevu Matangini	Equity	1200279811548	327.50	582,837.50
Emergency Covid	Equity	1200279958824	247.50	247.50
Changamwe Girls Secondary School	Equity	1200279524780	6,601,582.30	12,013,673.00
Mwingo Primary School	Equity	1200279071660	5,833,237.85	5,956,851.75
Changamwe Youth Resource Centre	Equity	1200280166324	328,759.60	3,113,994.00
Sub-county Headquarters	Equity	1200280730837	5,590.00	4,690.00
Portreitz Chief's Office	Equity	1200280805051	432,392.00	5,466,430.00
Portreitz Integrated Secondary School	Equity	1200282121792	5,833,237.85	-
Total			106,433,610.20	140,088,578.00

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

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Receipt in bank statement not recorded in cashbook of 31500	This included cash deposit 29,000 from sale of tender had not yet been added and bursary cheque of 2500 which was debited then credited	Not resolved	
	Stale cheque bank reconciliation statements reflect stale cheque ksh 185,361 that has not been written back to cashbook	The stale cheques were reversed and issued to new beneficiary on January 2019	Not resolved	
	Bank reconciliation statements reflect banks charge of 76,600 that were treated as reconciling item instead of being expensed in the year	The bank charged have been approve and discharged on account	Not resolved	

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 Abdulhakim Ali
 Fund Account Manager.