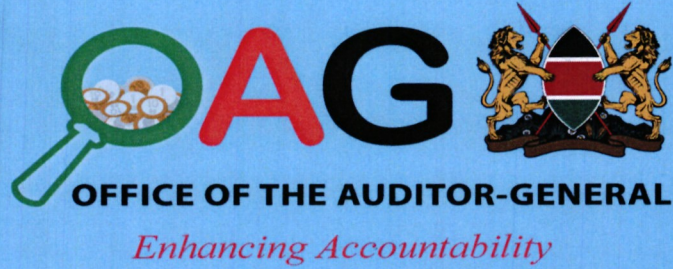


REPUBLIC OF KENYA



PARLIAMENT
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LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY

DATE: 02 AUG 2023

DAY: WED

TABLED BY: Hon-Naomi Wago, mp
Deputy Majority Whip

CLERK AT THE TABLE: Enlaya Musuki

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NAMBALE CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2022



NAMBALE 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)

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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- 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 Nambale 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)

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(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 | Edwin Serem |
| 2. | Sub-County Accountant | Jorim Agola |
| 3. | Chairman NGCDFC | Alfred Okochil |
| 4. | Member NGCDFC | Judith Murwayi |

(d) Fiduciary Oversight Arrangements

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

P.O. Box 27
50409 Nambale.
Opposite the Sub County Commissioner Office,
Off Nambale-Busia Road,
NAMBALE

(f) Nambale Constituency NGCDF Contacts

Telephone: (254) 720028664
E-mail: cdfnambale@ngcdf.go.ke
Website: www.ngcdf.go.ke

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(g) Nambale Constituency NGCDF Bankers

Cooperative Bank of Kenya
Busia Branch
Account No-01141235497300

(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

*Nambale Constituency
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II. NG-CDFC Chairman's Report



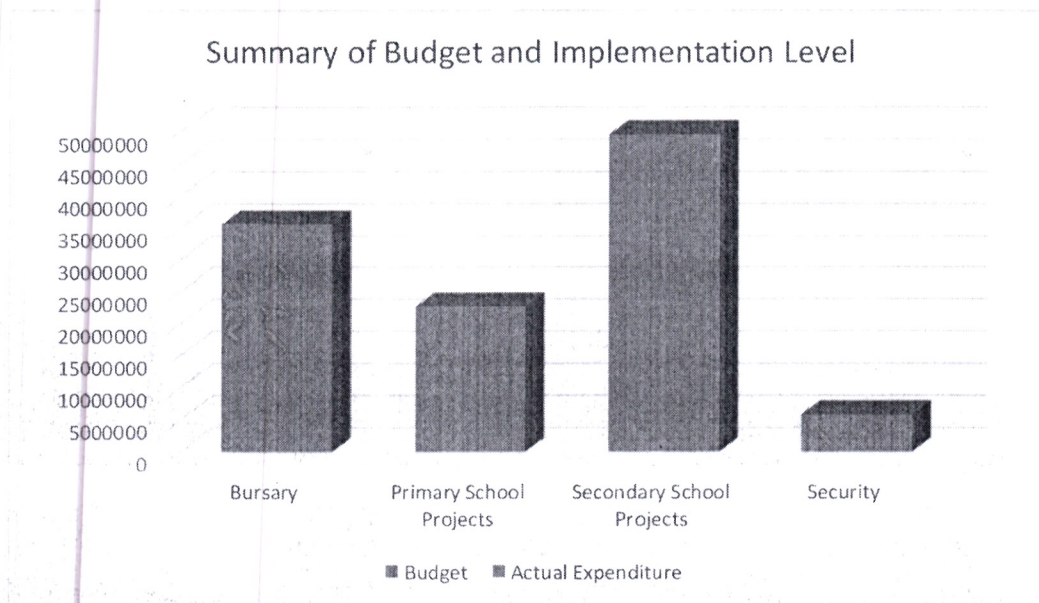
Mr. Alfred Okochil

Chairman NG-CDFC Nambale

The financial year 2021/2022 that ended on 30th June 2022 was a great success in terms of implementation of the various projects within the constituency. The table below shows a summary of the budget and the implementation level;

| No. | SECTOR | BUDGET | ACTUAL EXPENDITURE |
|-----|---------------------------|------------|--------------------|
| 1. | Bursary | 73,275,036 | 73,275,036 |
| 2. | Primary School Projects | 49,614,181 | 49,614,181 |
| 3. | Secondary School Projects | 61,866,500 | 61,866,500 |
| 4. | Security Projects | 7,462,650 | 7,462,650 |

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From the above analysis, the performance of Nambale NG-CDF has been exemplary and this is as a result of good working relationship between the NG-CDFC and the various stakeholders. We intend to do better in the coming financial year so that the residents of Nambale can get the value for money and better services.

During the financial year under review, Nambale NGCDF Committee achieved quite a lot key among them are listed below;

- I. Nambale NGCDF constructed modern chiefs' offices which brought services close to the people
- II. Construction and renovations for modern classrooms, administration blocks and laboratories for both primary schools and secondary schools across the constituency has been of great success to the constituency where students and teachers are now able to learn under conducive environment.
- III. Bursaries were issued to over 11,074 needy students compared to 8,500 for the FY2020/2021 across the constituency. The students were able to learn without interruption.

Key achievements

Nambale NGCDFC during the financial year under review achieved so much in various sectors; education, security, environment and sports.

For instance, we were able to construct modern laboratories, administration blocks and classrooms for various schools in the constituency.

The following is one of the best projects that Nambale NGCDF Committee implemented during the financial year under the review;



Fig1: St. Pauls Elwanikha Girls Secondary School-Construction of 2 Storey 300 Capacity Dormitory



Fig2. Purchase of School Buses for Nambale Urban Sec.,Sikinga Sec, Igara Sec & Fr. Simon Sec

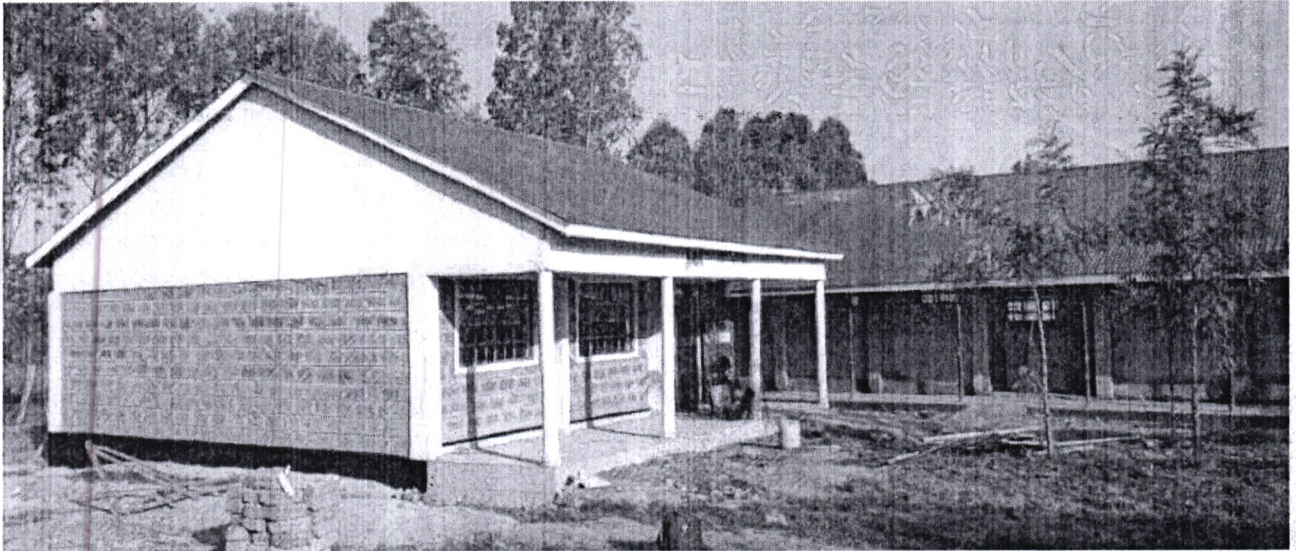


Fig3. Canon Awori Secondary School-Construction of One Classroom



Fig4. Lwanyange Assistant Chief's Office-Construction of a Four Unit Office Block



Fig5.Makongeni Primary-Construction of One Classroom

Emerging Issues

During the financial year under review, the following were the emerging issues that the NGCDFC had to handle;

1. Covid 19 pandemic that affected the operations of various public institutions including schools.

Challenges

Major challenges faced by the Fund include;

- 1) Delay in disbursement of funds from the board,
- 2) Infrastructural demands being higher than the amount allocated as a result of the Covid 19 pandemic which requires the schools to have more classrooms and sanitation.
- 3) Inadequate capacity of the project management committee

Way forward

Board need to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the various institutions need to lobby for funding from other agencies including the NGOs to avoid overreliance on the NGCDF funding.

.....


Name: ALFRED OKOCHIL
CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

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

Strategic Area One: Education

Objective: Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.

Initiative: Infrastructure has been improved in schools through construction of modern classrooms housing 45 students each, construction of administration blocks, laboratories and purchase of land for schools which required land expansion.

Bursaries have been awarded to needy students in various learning institutions.

Strategic Area Two: Security

Objective: Improve the overall security of all residents and reduce crimes.

Initiative: Chiefs offices have been constructed in several locations.

Police camps have been constructed to help in security matters

Strategic Area Three: Environment & Sanitation

Objective: Increase access to safe water, improved sanitation and conservation of natural resources.

Initiative: Modern pit latrines have been constructed in several learning institutions in order to improve of sanitation.

Strategic Area Four: Electrification

Objective: Improve accessibility and access to electricity for continued economic development.

Initiative: Through government program of last mile, most residents of Nambale Constituency have benefited from electricity.

Strategic Area Five: Disaster management

Objective: Ensure transparent, accountable, responsive governance and sustainable use of public resources.

Initiative: Nambale NGCDFC have ensured that all the institutions which got emergency cases during the financial year were helped through constructing of modern pit latrines.

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:

*Nambale Constituency
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| 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 | <p>In FY 21/22 -We increased number of classrooms to in learning institutions through construction, rehabilitation and renovations not less than 70 across primary tertiary institutions in the constituency.</p> <p>- Bursary beneficiaries increased from 8,500 in the FY2020/21 to 11,074 at all levels (secondary and Tertiary students).</p> |
| Security | Improve the overall security of all residents and reduce crimes. | Enhanced presence of security personnel | % coverage of security personnel and Number of facilities constructed | <p>We increased the security infrastructure by completion of the following;</p> <p>Mungatsi Assistant Chief's Office &Lwanyange Assistant Chief's Office, Musokoto ACC Office, Kapina Assistant Chiefs office to improve the security of the residents.</p> <p>We also renovated Nambale ACC Office as per the code list to enhance services to the residents on matters administration and security.</p> |
| Environment | Increase access to safe water, improved sanitation and conservation of natural resources | Enhanced increase in modern sanitation in several learning institutions and improved ecosystem. | Number of sanitation blocks constructed across all levels. | We increased the number sanitation under environment by construction of 11 semi improved sanitation blocks, we also constructed base watertank for collection of |

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

| | | | | |
|-----------|---|--|---|---|
| | | | | rain water. world Environment day by planting |
| Sports | Sports infrastructure development and promotion of positive cultural practices. | Improved sports within the constituency and social cohesion | Reduced youth idleness and behaviour modification | We facilitated acquisition of sports material through purchase balls and kits) for different over 15 teams within the constituency to support sports activities. |
| Emergency | | Enhanced preparedness towards uncertainties and unforeseen events. | -Presence of physical infrastructure constructed in institutions. | -We facilitated renovation of Sub County Treasury and Internal Auditors Office ,fencing of Tangakona Police Post,Kapina Assistant Chief's Office also constructed over 25 semi improved sanitation blocks which sunk due to poor drainage and soil. |

IV. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

- *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.*

3. Employee welfare

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

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Nambale 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

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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.

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

.....
Name: EDWIN SEREM
Fund Account Manager.



2. 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-Nambale 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.

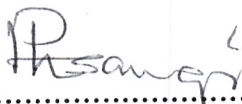
The Accounting Officer in charge of the NGCDF-Nambale Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards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

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

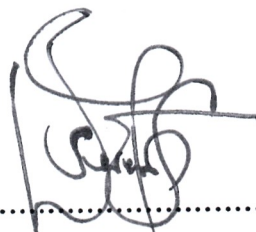
The Accounting Officer in charge of the NGCDF Nambale Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- Nambale Constituency financial statements were approved and signed by the Accounting Officer on 16/9/ 2022.



.....
Name: ALFRED OKOCHIL
Chairman – NGCDF Committee

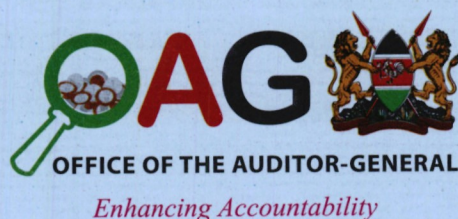


.....
Name: EDWIN SEREM
Fund Account Manager



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NAMBALE 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 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 purposes.
- C. Report on Effectiveness of Internal Control, 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 under 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 the National Government Constituencies Development Fund - Nambale Constituency as set out on pages 1 to 45,

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

which comprise of the statement of assets and liabilities as at 30 June, 2022, 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 - Nambale Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Presentation of the Financial Statements

The following errors and omissions were observed in the financial statements and the accompanying information provided for audit;

- i. The actual expenditure amounts reflected in the Chairman's report were inconsistent with the amounts reflected in the statement of receipts and payments as detailed below:

| Sector | Expenditure in the Chairman's Report (Kshs.) | Statement of Receipts and Payments (Kshs.) |
|---------------------------|---|---|
| Bursary | 35,612,000 | 73,275,036 |
| Primary School Projects | 22,716,000 | 49,614,181 |
| Secondary School Projects | 49,646,500 | 61,866,500 |
| Security Projects | 5,862,650 | 7,462,650 |

- ii. The numbering of the table of contents' titles and titles within the body of the financial statements were inconsistent with the template.
- iii. Annex 3 to the financial statements on unutilized funds did not disclose the prior year comparative balances, while disclosure Note 17.3 reflects Kshs.97,940,894.

In the circumstances, the presentation of the financial statements did not conform to the requirements of the Public Sector Accounting Standards Board financial reporting template, and the accuracy and completeness of the financial statements could not be confirmed.

2. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following errors and inconsistencies:

- i. The statement of receipts and payments reflects total payments of Kshs.219,958,976, while a re-computation of the statement shows Kshs.218,958,976 resulting to unexplained variance of Kshs.1,000,000.
- ii. The statement of cash flows reflects cash and cash equivalents balance at the beginning of the year of Kshs.52,133,359 while the prior year closing balance was Kshs.52,786,621 resulting to unexplained variance of Kshs.653,262.
- iii. The summary statement of appropriation reflects total expenditure of Kshs.218,958,976 while the statement of receipts and payments reflects Kshs.219,958,976 resulting to unexplained variance of Kshs.1,000,000.
- iv. The statement of assets and liabilities reflects fund balance brought forward of Kshs.52,133,359 as disclosed under Note 13 to the financial statements. However, the prior year audited financial statements reflected Kshs.51,929,924 resulting to unexplained variance of Kshs.203,435. In addition, the statement of assets and liabilities reflects comparative balance of Kshs.4,787,076 while disclosure Note 13 reflects Kshs.5,709,166 resulting to unexplained variance of Kshs.922,090.

In the circumstances, the accuracy and completeness of the respective balances could not be confirmed.

3. Misstatement of Cash and Cash Equivalents Balance – Stale Cheques

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.3,862,304 as disclosed in Note 10 to the financial statements. However, the bank reconciliation statement for the month of June, 2022 reflects unrepresented cheques of Kshs.24,624,509 which include stale cheques of Kshs.21,575 that had not been reversed in the cash book as at 30 June, 2022.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.3,862,304 could not be confirmed.

4. Unsupported Project Management Committee Bank Balances

Disclosure Note 17.4 and as detailed in Annex 5 to the financial statements reflects sixty-one (61) Project Management Committee (PMC) bank accounts with balances amounting to Kshs.28,477,283. However, cash books, certificates of bank balances, bank statements and bank reconciliation statements were not provided for audit review.

In the circumstances, the accuracy and completeness of the Project Management Committee bank account balances totalling Kshs.28,477,283 could not be confirmed.

5. Unsupported Committee Expenses

The statement of receipts and payments and as disclosed in Note 5 to the financial statements, reflects use of goods and services amount of Kshs.11,395,128. Included in this expenditure is other committee expenses amounting to Kshs.6,911,658 which was not separated into monitoring and evaluation expenses and was not supported by detailed work plans and project reports.

In the circumstances, the propriety of the other committee expenses of Kshs.6,911,658 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 - Nambale 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

Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis of Kshs.234,556,718 and Kshs.222,467,839 respectively resulting to under-funding of Kshs.12,088,879 or 5% of the budget. Similarly, the statement reflects actual expenditure of Kshs.218,958,976 against approved budget of Kshs.234,556,718 resulting to under-performance of Kshs.15,597,742 or 7% of the budget.

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

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. Project Implementation Status

Review of the 2021/2022 projects code list revealed that the Fund was to implement a total of 107 projects during the year in various sectors with a budget of Kshs.124,750,880. However, analysis of the project implementation status report revealed that one (1) project worth Kshs.1,130,000 had not been started, while one (1) project worth Kshs.7,000,000 was still on-going and 105 projects worth Kshs.116,620,880 had been

completed. No satisfactory explanation was provided on the delay to complete the one project and the failure to start the remaining one project.

In the circumstances, the residents of the Constituency did not obtain value for money from the projects.

2. Expenditure of Emergency Funds

The statement of receipts and payments reflects other grants and transfers of Kshs.93,462,598 as disclosed in Note 7 to the financial statements. Included in this amount is Kshs.7,859,958 incurred on construction of toilets in various primary and secondary schools, chiefs' offices and Assistant County Commissioner's offices. However, the expenditure was not of emergency nature.

This was contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which states that an emergency shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 CONTROL, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion in Effectiveness of Internal Control, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal control, risk management and governance were not effective.

Basis for Conclusion

Lack of Internal Audit Reports

Management of the Fund did not provide internal audit reports for audit review from the internal audit department charged with the responsibility of auditing and giving assurance on financial transactions of the Constituency during the year 2021/2022.

In the circumstances, there was no assurance on the existence and effectiveness of the Fund's Internal Control Systems.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal control, risk management and 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 control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 time 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 control may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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


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

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

14 June, 2023

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

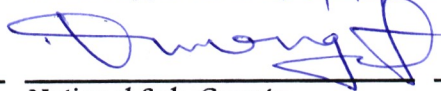
4. Statement of Receipts and Payments for the Year Ended 30th June 2022

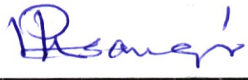
| | Note | 2021 – 2022 | 2020- 2021 |
|-------------------------------------|------|----------------------------|--------------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Transfers from NGCDF Board | 1 | 170,088,879 | 161,367,724 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | 245,601 | 361,000 |
| Total Receipts | | 170,334,480 | 161,728,724 |
| Payments | | | |
| Compensation of Employees | 4 | 2,510,569 | 2,684,006 |
| Use of Goods and Services | 5 | 11,395,128 | 13,899,351 |
| Transfers to Other Government Units | 6 | 111,480,681 | 80,145,600 |
| Other Grants and Transfers | 7 | 93,462,598 | 16,898,987 |
| Acquisition of Assets | 8 | 110,000 | 957,932 |
| Other Payments | 9 | - | - |
| Total Payments | | 218,958,976 | 114,585,876 |
| Surplus/(Deficit) | | <u>(48,624,496)</u> | <u>47,142,848</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 16/9 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Edwin Serem
ICPAK M/No: 25066

Name: Jorim Agola

Name: Alfred Okochil



16 SEP 2022

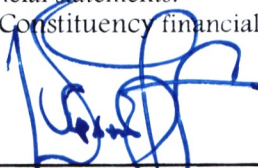
*Nambale Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

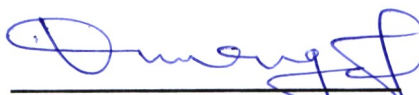
5. Statement of Assets and Liabilities as at 30th June, 2022


| | Note | 2021-2022 | 2020-2021 |
|--|------|-------------------------|--------------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (As Per the Cash Book) | 10A | 3,862,304 | 52,786,622 |
| Cash Balances (Cash at Hand) | 10B | - | - |
| Total Cash and Cash Equivalents | | 3,862,304 | 52,786,622 |
| Accounts Receivable | | | |
| Outstanding Imprests | 11 | - | - |
| Total Financial Assets | | 3,862,304 | 52,786,622 |
| Financial Liabilities | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 12A | - | (141,383) |
| Gratuity | 12B | (353,441) | (511,880) |
| Reversed bursary cheques | 12C | - | (203,435) |
| Net Financial Assets | | <u>3,508,863</u> | <u>51,929,924</u> |
| Represented By | | | |
| Fund Balance B/Fwd | 13 | 52,133,359 | 4,787,076 |
| Prior Year Adjustments | 14 | - | |
| Surplus/Deficit for The Year | | (48,624,496) | 47,142,848 |
| Net Financial Position | | <u>3,508,863</u> | <u>51,929,924</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 16/9/2022 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairman NG-CDF Committee

Name: Edwin Serem
ICPAK M/No: 25066

Name: Jorim Agola

Name: Alfred Okochil



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

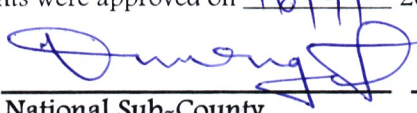
Statement of Cash Flows for the Year Ended 30th June 2022

| | Notes | 2021 - 2022 | 2020 - 2021 |
|--|-----------|-------------------------|--------------------------|
| | | Kshs | Kshs |
| Receipts from Operating Activities | | | |
| Transfers from NGCDF Board | 1 | 170,088,879 | 161,367,724 |
| Other Receipts | 3 | <u>245,601</u> | <u>361,000</u> |
| Total Receipts | | 170,334,480 | 161,728,724 |
| Payments | | | |
| Compensation of Employees | 4 | 2,510,569 | 2,684,006 |
| Use of Goods and Services | 5 | 11,395,128 | 13,899,351 |
| Transfers to Other Government Units | 6 | 111,480,681 | 80,145,600 |
| Other Grants and Transfers | 7 | 93,462,598 | 16,898,987 |
| Other Payments | 9 | - | - |
| Total Payments | | 218,848,976 | 113,627,944 |
| Total Receipts Less Total Payments | | - | - |
| Adjusted For: | | | |
| Decrease/(Increase) In Accounts Receivable | 15 | - | - |
| Increase/(Decrease) In Accounts Payable | 16 | 353,441 | (65,394) |
| Prior Year Adjustments | 14 | - | - |
| Net Adjustments | | 353,441 | (65,394) |
| Net Cash Flow from Operating Activities | | (48,161,055) | 48,035,386 |
| Cashflow From Investing Activities | | | |
| Proceeds from Sale of Assets | 2 | - | - |
| Acquisition of Assets | 8 | (110,000) | (957,932) |
| Net Cash Flows from Investing Activities | | (110,000) | (957,932) |
| Net Increase in Cash and Cash Equivalent | | (48,271,055) | 47,077,454 |
| Cash & Cash Equivalent at Start of The Year | 10 | 52,133,359 | 5,709,166 |
| Cash & Cash Equivalent at End of The Year | 10 | <u>3,862,304</u> | <u>52,786,621</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 16/9/2022 2022 and signed by:


 Fund Account Manager

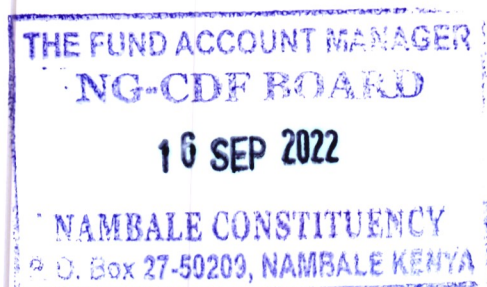

 National Sub-County
 Accountant


 Chairman NG-CDF
 Committee

Name: Edwin Serem
 ICPAK M/No: 25066

Name: Jorim Agola

Name: Alfred Okochil



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

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

| Receipts/Payments | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|---|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|------------------|
| | | a | b | | | | |
| | 2021/2022 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2021/2022 | 30/06/2022 | | |
| Receipts | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Transfers from NGCDF Board | 137,088,879 | 52,133,359 | 45,088,879 | 234,311,118 | 222,222,238 | 12,088,879 | 94.8% |
| Proceeds from Sale of Assets | | | | 0 | - | - | 0.0% |
| Other Receipts | | 245,601 | | 245,601 | 245,601 | - | 100.0% |
| Totals | 137,088,879 | 52,378,960 | 45,088,879 | 234,556,718 | 222,467,839 | 12,088,879 | 94.8% |
| Payments | | | | | | | |
| Compensation of Employees | 2,750,000 | 399,000 | | 3,149,000 | 2,510,569 | 638,431 | 79.7% |
| Use of Goods and Services | 9,477,999 | 1,917,129 | | 11,395,128 | 11,395,128 | - | 100.0% |
| Transfers to Other Government Units | 72,362,500 | 8,187,600 | 38,517,800 | 119,067,999 | 111,480,681 | 7,587,309 | 93.6% |
| Other Grants and Transfers | 52,388,380 | 41,250,141 | 6,571,079 | 100,209,601 | 93,462,598 | 6,747,003 | 93.3% |
| Acquisition of Assets | 110,000 | | | 110,000 | 110,000 | - | 100.0% |
| Other Payments | 0 | | | 0 | | - | |
| Funds Pending Approval** (Un allocated AIA) | | 625,000 | | 625,000 | | 625,000 | |
| Totals | 137,088,879 | 52,378,960 | 45,088,879 | 234,556,719 | 218,958,976 | 15,597,743 | 93.2% |

- i. 94.8% Utilization on Receipts is as a result of delay in receiving funds from the NGCDF Board amounting to 12,088,879
ii. 79.7% Utilization on Compensation of Employees is as a result in receiving funds from NGCDF Board.

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

- iii. 93.6% on transfer to other government units is due to delay in funding from the board
- iv. 93.3% on transfer to other government entities is due to delay in funding from the board
- v. 100% utilization on acquisition of assets is a result of the purchase of Office Camera used in coverage of Constituency Projects

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|------------------|
| Description | Amount |
| Budget utilisation difference totals | 15,597,743 |
| Less undisbursed funds receivable from the Board as at 30 th June 2022 | (12,088,879) |
| Add Accounts payable | 3,508,863 |
| Less Accounts Receivable | 353441 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the FY 2021/2022 | 0 |
| | 3,862,304 |

The Constituency financial statements were approved on 16/9/2022 and signed by:



Fund Account Manager



National Sub-County Accountant



Chairman NG-CDF Committee

Name: Edwin Serem
ICPAK M/No: 25066

Name: Jorim Agola

Name: Alfred Okochil

THE FUND ACCOUNT MANAGER
NG-CDF BOARD
16 SEP 2022
NAMBALE CONSTITUENCY
P. O. Box 27-60203, NAMBALE KENYA

Nambale 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 | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|------------------|--------------------------------|---|-------------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| 1.0 Administration and Recurrent | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.1 Compensation of employees | 2,750,000 | 399,000 | | 3,149,000 | 2,510,569 | 638,431 |
| 1.2 Committee allowances | 2,400,000 | 954,139 | | 3,354,139 | 3,354,139 | - |
| 1.3 Use of goods and services | 2,965,333 | 52,069 | | 3,017,401 | 3,017,401 | - |
| Total | 8,115,333 | 1,405,208 | - | 10,032,420 | 8,882,110 | 638,431 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | 2,000,000 | 811,634 | | 2,811,634 | 2,811,634 | - |
| 2.2 Committee allowances | 1,500,000 | 45,050 | | 1,545,050 | 1,545,050 | - |
| 2.3 Use of goods and services | 612,666 | 54,237 | | 666,903 | 666,903 | - |
| Total | 4,112,666 | 910,921 | - | 5,023,587 | 5,023,587 | - |
| 3.0 Emergency | | | | | | |
| 3.1 Primary Schools | | | | | | |
| Sikinga Primary School | | 150,000 | | 150,000 | 150,000 | - |
| Emukhuyu Primary School | | 350,000 | | 350,000 | 350,000 | - |
| Sikinga Primary School | | 250,000 | | 250,000 | 250,000 | - |
| Emukhuyu primary School | | 138,551 | | 138,551 | 138,551 | - |
| Othri Primary School | | 250,000 | | 250,000 | 250,000 | - |
| Emakina Primary School | | 250,000 | | 250,000 | 250,000 | - |
| Sikinga Primary School | | 250,000 | | 250,000 | 250,000 | - |

**Nambale 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 | | | |
| Sibembe Primary School | 250,000 | | | 250,000 | 250,000 | - |
| Mabunge R.C Primary School | 250,000 | | | 250,000 | 250,000 | - |
| Khwirale Primary School | 250,000 | | | 250,000 | 250,000 | - |
| Kisoko Boys Primary School | 250,000 | | | 250,000 | 250,000 | - |
| Sikinga Primary School | 100,000 | | | 100,000 | 100,000 | - |
| Elwanikha Primary School | 100,000 | | | 100,000 | 100,000 | - |
| Mwenge Primary School | 100,000 | | | 100,000 | 100,000 | - |
| Khayo Primary school | 150,000 | | | 150,000 | 150,000 | - |
| Ohiri Primary School | 171,907 | | | 171,907 | 171,907 | - |
| 3.2 Secondary schools | | | | | | |
| St. Marys Nambale Secondary School | 250,000 | | | 250,000 | 250,000 | - |
| Katira Secondary School | 250,000 | | | 250,000 | 250,000 | - |
| Katira Secondary School | 100,000 | | | 100,000 | 100,000 | - |
| Lwanyange Secondary School | 250,000 | | | 250,000 | 250,000 | - |
| Siera Girls Secondary School | 250,000 | | | 250,000 | 250,000 | - |
| 3.3 Tertiary institutions | | | | | | |
| 3.4 Security projects | | | | | | |
| DCC Nambale | 150,000 | | | 150,000 | 150,000 | - |
| Kapina Assistant Chief's Office | 250,000 | | | 250,000 | 250,000 | - |
| Lwanyange Assistant Chiefs Office | 250,000 | | | 250,000 | 250,000 | - |
| Tangakona AP Camp | 200,000 | | | 200,000 | 200,000 | - |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---|-------------------|--------------------------------|---|-------------------|---------------------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| DCC Nambale | 249,500 | | | 249,500 | 249,500 | - |
| Musokoto ACC Office | 100,000 | | | 100,000 | 100,000 | - |
| Lwanyange Assistant Chiefs Office | 100,000 | | | 100,000 | 100,000 | - |
| 3.5 Unutilised | 220,800 | 0 | | 220,800 | | 220,800 |
| Total | 7,192,207 | 888,551 | - | 8,080,758 | 7,859,958 | 220,800 |
| 4.0 Bursary and Social Security | | | | | | |
| 4.1 Secondary Schools | 26,612,444 | 14,794,036 | | 41,406,480 | 41,406,036 | 444 |
| 4.2 Tertiary Institutions | 9,000,000 | 22,869,000 | | 31,869,000 | 31,869,000 | - |
| Total | 35,612,444 | 37,663,036 | - | 73,275,481 | 73,275,036 | 444 |
| 5.0 Sports | | | | | | |
| 5.1 Jemtiashni Kenya Limited | 650,000 | | | 650,000 | 650,000 | - |
| 5.2 Dovic Ventures Limited | 368,000 | | | 368,000 | 368,000 | - |
| 5.3 Jemtiashni Kenya Limited | | | 600,000 | 600,000 | 598,900 | 1,100 |
| 5.4 Paravolley Ball Self Help Group | | 487,054 | | 487,054 | 487,054 | - |
| 5.5 Paravolley Ball Self Help Group | | 11,000 | | 11,000 | 11,000 | - |
| Unutilised | 353,079 | | 771,079 | 1,124,158 | | 1,124,158 |
| Total | 1,371,079 | 498,054 | 1,371,079 | 3,240,212 | 2,114,954 | 1,125,258 |
| 6.0 Environment | | | | | | |
| Assistant County Commissioner Office Musokoto | 250,000 | | | 250,000 | 250,000 | - |
| Buloma primary school | 250,000 | | | 250,000 | 250,000 | - |
| Elwanikha primary school | 250,000 | | | 250,000 | 250,000 | - |

**Nambale Constituency
National Government Constituencies Development Fund (NGCCDF)
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 | | | |
| Emakina primary school | 100,000 | | | 100,000 | 100,000 | - |
| Esidende Assistant Chiefs Office | 250,000 | | | 250,000 | 250,000 | - |
| Ikondohera primary school | 250,000 | | | 250,000 | 250,000 | - |
| Kaludeka secondary school | 250,000 | | | 250,000 | 250,000 | - |
| Mwenge primary school | 250,000 | | | 250,000 | 250,000 | - |
| Nambale Urban primary | 250,000 | | | 250,000 | 250,000 | - |
| Namisi primary school | 250,000 | | | 250,000 | 250,000 | - |
| Canon Awori Secondary School | | | 200,000 | 200,000 | | 200,000 |
| Harambee Primary School | | | 200,000 | 200,000 | | 200,000 |
| Kajoro Primary School | | | 80,492 | 80,492 | | 80,492 |
| Madende Primary School | | | 200,000 | 200,000 | | 200,000 |
| Madibo Secondary School | | | 200,000 | 200,000 | | 200,000 |
| Namaindi Primary School | | | 200,000 | 200,000 | | 200,000 |
| Nangeni Primary School | | | 200,000 | 200,000 | | 200,000 |
| St.Marys Nambale Primary School | | | 200,000 | 200,000 | | 200,000 |
| St.Peters Khwilare Primary School | | | 200,000 | 200,000 | | 200,000 |
| Kajoro Primary School | | | 119,508 | 119,508 | | 119,508 |
| Mukemo Primary School | | | 200,000 | 200,000 | | 200,000 |
| Kaludeka Primary School | | 200,000 | | 200,000 | 200,000 | - |
| Namisi Primary School | | 200,000 | | 200,000 | 200,000 | - |
| Katira Primary School | | 200,000 | | 200,000 | - | 200,000 |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|-------------------------------------|------------------|--------------------------------|---|------------------|---------------------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Unutilised | | 500 | | 500 | | 500 |
| Total | 2,350,000 | 600,500 | 2,000,000 | 4,950,500 | 2,750,000 | 2,200,500 |
| 7.0 Primary Schools Projects | | | | | | |
| Buloma primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Esidende primary school | 600,000 | | | 600,000 | 600,000 | - |
| Ikondkhera primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Kachoroi primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Kajoro primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Kaludeka primary school | 600,000 | | | 600,000 | 600,000 | - |
| Khulwanda primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Kisoko girls primary school | 600,000 | | | 600,000 | 600,000 | - |
| Lupida Primary School | 300,000 | | | 300,000 | 300,000 | - |
| Lwanyange primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Mabunge RC primary School | 600,000 | | | 600,000 | 600,000 | - |
| Madende clinic primary School | 630,000 | | | 630,000 | 630,000 | - |
| Madende primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Madende primary school | 600,000 | | | 600,000 | 600,000 | - |
| Maira primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Makale primary school | 758,100 | | | 758,100 | 758,100 | - |
| Makongeni primary | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Manyole primary school | 600,000 | | | 600,000 | 600,000 | - |

**Nambale 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 | | | |
| Maolo primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Musokoto B primary school | 600,000 | | | 600,000 | 600,000 | - |
| Nambale AC primary | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Nambale urban primary | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Namisi primary school | 1,075,000 | | | 1,075,000 | 1,075,000 | - |
| Sango primary school | 630,000 | | | 630,000 | 630,000 | - |
| St Marys Nambale primary school | 600,000 | | | 600,000 | 600,000 | - |
| Igara Primary School | 150,000 | | | 150,000 | 150,000 | - |
| Katira Primary School | 340,900 | | | 340,900 | 340,900 | - |
| Kisoko boys primary school | 300,000 | | | 300,000 | 300,000 | - |
| Madende primary school | 100,000 | | | 100,000 | 100,000 | - |
| Madibo primary school | 150,000 | | | 150,000 | 150,000 | - |
| Musoma primary school | 200,000 | | | 200,000 | 200,000 | - |
| Opedur primary school | 382,000 | | | 382,000 | 382,000 | - |
| Harambee Primary School | | | 1,075,000 | 1,075,000 | | 1,075,000 |
| Malanga Primary School | | | 500,000 | 500,000 | | 500,000 |
| Matili Primary School | | | 819,999 | 819,999 | | 819,999 |
| Nambale Muslim Pri. School | | | 1,075,000 | 1,075,000 | | 1,075,000 |
| Segero Primary School | | | 500,000 | 500,000 | | 500,000 |
| St.Teresa Makale Primary School | | | 157,310 | 157,310 | | 157,310 |
| Ikondokhera Primary School | | | 2,150,000 | 2,150,000 | 2,150,000 | - |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---------------------------------|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Kachoroi Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Khulwanda Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Koshaloi Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Madende Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Maira Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Makongeni Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Matili Primary School | | | 1,330,000 | 1,330,000 | 1,330,000 | - |
| Mukemo Primary School | | | 2,150,000 | 2,150,000 | 2,150,000 | - |
| Mungalsi Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Musoma Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Mwangaza Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Namahindi Primary School | | | 2,150,000 | 2,150,000 | 2,150,000 | - |
| Nambale A/C Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Namisi Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Nangenji Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| Opedur Primary School | | | 1,175,491 | 1,175,491 | 1,175,491 | - |
| Sango Primary School | | | 1,075,000 | 1,075,000 | 1,075,000 | - |
| St.Teresa Makale Primary School | | 1,075,000 | | 1,075,000 | 1,075,000 | - |
| Buyofu Primary School | | 450,000 | | 450,000 | 450,000 | - |
| Elwanikha Primary School | | 450,000 | | 450,000 | 450,000 | - |
| St.Teresa Makale Primary School | | 917,690 | | 917,690 | 917,690 | - |

**Nambale 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 | | | |
| Buloma primary school | | 1,075,000 | | 1,075,000 | 1,075,000 | - |
| Total | 22,716,000 | 3,967,690 | 27,057,800 | 53,741,490 | 49,614,181 | 4,127,309 |
| 8.0 Secondary Schools Projects | | | | | | |
| Buyofu secondary school | 200,000 | | | 200,000 | 200,000 | - |
| Canon Awori secondary school | 1,350,000 | | | 1,350,000 | 1,350,000 | - |
| Emukhuyu secondary school | 1,130,000 | | | 1,130,000 | 1,130,000 | - |
| Fr. Simon Sibembe Secondary school | 5,900,000 | | | 5,900,000 | 5,900,000 | - |
| Igara secondary school | 5,900,000 | | | 5,900,000 | 5,900,000 | - |
| Kaludeka secondary school | 1,150,000 | | | 1,150,000 | - | 1,150,000 |
| Khwilare centre secondary school | 1,150,000 | | | 1,150,000 | 1,150,000 | - |
| Kisoko girls secondary school | 500,000 | | | 500,000 | 500,000 | - |
| Lwanyange secondary school | 1,150,000 | | | 1,150,000 | 1,150,000 | - |
| Malanga secondary school | 700,000 | | | 700,000 | 700,000 | - |
| Maolo secondary school | 4,000,000 | | | 4,000,000 | 4,000,000 | - |
| Maolo secondary school | 136,500 | | | 136,500 | 136,500 | - |
| Nambale urban secondary | 7,800,000 | | | 7,800,000 | 7,800,000 | - |
| Segero secondary school | 630,000 | | | 630,000 | 630,000 | - |
| Siera secondary school | 2,300,000 | | | 2,300,000 | 2,300,000 | - |
| Siera secondary school | 250,000 | | | 250,000 | 250,000 | - |
| Sikinga secondary school | 5,900,000 | | | 5,900,000 | 5,900,000 | - |
| St Marys Nambale secondary school | 1,150,000 | | | 1,150,000 | 1,150,000 | - |

Nambale Constituency
National Government Constituencies Development Fund (NGCDF)
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| Programme/Sub-programme | Original Budget | Adjustments | Final Budget | Actual on comparable basis | Budget utilization difference | |
|---|-------------------|--------------------------------|---|----------------------------|-------------------------------|------------------|
| | 2021/2022 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | 2021/2022 | 30/06/2022 | |
| St Pauls Elwanikha secondary school | 7,000,000 | | | 7,000,000 | 7,000,000 | - |
| St Pauls Elwanikha secondary school | 810,000 | | | 810,000 | 810,000 | - |
| St Pauls Elwanikha secondary school | 390,000 | | | 390,000 | 390,000 | - |
| Emukhuyu secondary school | 150,000 | | | 150,000 | 150,000 | - |
| Khayo Secondary School | | | 15,000 | 15,000 | | 15,000 |
| Namaindi Secondary School | | | 15,000 | 15,000 | | 15,000 |
| Nambale Urban Sec. School | | | 1,190,000 | 1,190,000 | | 1,190,000 |
| St. Josephs Musokoto Sec. School | | | 1,090,000 | 1,090,000 | | 1,090,000 |
| St.Martin Kisoko Special School | | | 2,000,000 | 2,000,000 | | - |
| Khayo Secondary School | | | 1,075,000 | 1,075,000 | | - |
| Namaindi Secondary School | | | 1,075,000 | 1,075,000 | | - |
| St.Pauls Elwanikha Secondary School | | | 5,000,000 | 5,000,000 | | - |
| Sikinga secondary school | | 600,000 | | 600,000 | | - |
| Kaludeka Mixed Secondary School | | 1,090,000 | | 1,090,000 | | - |
| Sikinga Secondary School | | 1,500,000 | | 1,500,000 | | - |
| Katira Secondary School | | 1,030,000 | | 1,030,000 | | - |
| Total | 49,646,500 | 4,220,000 | 11,460,000 | 65,326,500 | 61,866,500 | 3,460,000 |
| 9.0 Tertiary institutions Projects | | | | | | |
| Total | | | | | | - |
| 10.0 Security Projects | | | | | | |
| Kapina sub-location Assistant Chiefs Office | 1,600,000 | | | 1,600,000 | 1,600,000 | - |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| | 2021/2022 | | | 2021/2022 | 30/06/2022 | |
| Lwanyange Assistant Chiefs Office | 1,600,000 | | | 1,600,000 | 1,600,000 | - |
| Nambale Assistant County Commissioner Office | 1,112,650 | | | 1,112,650 | 1,112,650 | - |
| Esidende Assistant Chiefs Office | 100,000 | | | 100,000 | 100,000 | - |
| Kapina Assistant Chiefs Office | 100,000 | | | 100,000 | 100,000 | - |
| Khwilare Assistant Chiefs Office | 100,000 | | | 100,000 | 100,000 | - |
| Lwanyange Assistant Chiefs Office | 100,000 | | | 100,000 | 100,000 | - |
| Mungatsi Assistant Chiefs Office | 1,150,000 | | | 1,150,000 | 1,150,000 | - |
| Musokoto Division (Assistant County Commissioners Office) | | 1,600,000 | | 1,600,000 | 1,600,000 | - |
| Esidende Assistant Chiefs Office | | | 1,600,000 | 1,600,000 | | 1,600,000 |
| Musokoto Assistant Chiefs Office | | | 1,600,000 | 1,600,000 | | 1,600,000 |
| Total | 5,862,650 | 1,600,000 | 3,200,000 | 10,662,650 | 7,462,650 | 3,200,000 |
| 11.0 Acquisition of assets | | | | | | |
| 11.1 Office Camera | 110,000 | | | 110,000 | 110,000 | - |
| Total | 110,000 | | | 110,000 | 110,000 | - |
| 12.0 Others | | | | | | |
| Total | | | | | | |
| Funds pending approval**Unallocated AIA | | 625,000 | | 625,000 | | 625,000 |
| Total | 137,088,879 | 52,378,960 | 45,088,879 | 234,556,718 | 218,958,976 | 15,597,742 |

(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-Nambale 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 10th June, 2021 for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

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Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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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. B096988 | | 15,000,000 |
| AIE NO. B104654 | | 19,000,000 |
| AIE NO. A823696 | | 35,367,724 |
| AIE NO. B124630 | | 9,000,000 |
| AIE NO. B119599 | | 8,500,000 |
| AIE NO. B119989 | | 12,000,000 |
| AIE NO. B128230 | | 6,900,000 |
| AIE NO. B129192 | | 7,000,000 |
| AIE NO. B132286 | | 6,000,000 |
| AIE NO. B138955 | | 13,000,000 |
| AIE NO. B126247 | | 7,000,000 |
| AIE NO. B105042 | | 10,600,000 |
| AIE NO. B140685 | | 12,000,000 |
| | | |
| AIE NO. B105237 | 33,000,000 | |
| AIE NO. B105400 | 34,000,000 | |
| AIE NO. B105615 | 10,000,000 | |
| AIE NO. B105892 | 22,000,000 | |
| AIE NO. B128648 | 5,000,000 | |
| AIE NO. B128962 | 12,000,000 | |
| AIE NO. B154158 | 12,000,000 | |
| AIE NO. B155539 | 18,000,000 | |
| AIE NO. B155539 | 24,088,879 | |
| | | |
| TOTAL | 170,088,879 | 161,367,724 |

Nambale Constituency
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2. Proceeds from Sale of Assets

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

3. Other Receipts

| | 2021-2022 | 2020-2021 |
|---|----------------|----------------|
| | Kshs | Kshs |
| Interest Received | - | - |
| Rents | - | - |
| Receipts from sale of tender documents | 245,000 | 361,000 |
| Hire of plant/equipment/facilities | - | - |
| Unutilized funds from PMCs | - | - |
| Other Receipts Not Classified Elsewhere | 601 | - |
| Total | 245,601 | 361,000 |

4. Compensation of Employees

| | 2021-2022 | 2020-2021 |
|--|------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 1,860,212 | 1,882,951 |
| Personal allowances paid as part of salary | - | - |
| House Allowance | 236,483 | 227,500 |
| Transport Allowance | - | - |
| Leave allowance | - | - |
| Gratuity to contractual employees | 314,485 | 470,955 |
| Employer Contributions Compulsory national social security schemes | 99,389 | 102,600 |
| Total | 2,510,569 | 2,684,006 |

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Notes to the Financial Statements (Continued)

5. Use of Goods and Services

| | 2021-2022 | 2020-2021 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Committee Expenses | 6,911,658 | 7,832,320 |
| Utilities, supplies and services | 449,290 | 795,900 |
| Communication, supplies and services | 9,450 | 373,950 |
| Electricity | 20,000 | 15,000 |
| Water & sewerage charges | 6,204 | 28,552 |
| Domestic travel and subsistence | - | - |
| Printing, advertising and information supplies & services | - | - |
| Rentals of produced assets | - | - |
| Training expenses | 60,000 | 78,000 |
| Hospitality supplies and services | - | - |
| Other Operating Expenses | - | 30,000 |
| Committee allowance | 3,046,370 | 3,088,375 |
| Insurance costs | 83,575 | - |
| Specialized materials and services(Fuel and Lubricants) | 262,427 | - |
| Office and general supplies and services | - | 31,000 |
| Bank service commission and charges | 33,100 | 37,540 |
| Security operations | 260,000 | 390,000 |
| Routine maintenance – vehicles and other transport equipment | 253,054 | 1,198,714 |
| Routine maintenance – other assets | - | - |
| Total | 11,395,128 | 13,899,351 |

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Notes to The Financial Statements (Continued)

6. Transfer to Other Government Units

| Description | 2021-2022 | 2020-2021 |
|--|--------------------|-------------------|
| | Kshs | Kshs |
| Transfers to Primary Schools (See Attached List) | 49,614,181 | 39,180,000 |
| Transfers to Secondary Schools (See Attached List) | 61,866,500 | 32,655,000 |
| Transfers to Tertiary Institutions (See Attached List) | - | 8,310,600 |
| Total | 111,480,681 | 80,145,600 |

7. Other Grants and Other transfers

| | 2021-2022 | 2020-2021 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 41,406,036 | 349,200 |
| Bursary – tertiary institutions (see attached list) | 31,869,000 | 2,183,000 |
| Bursary – special schools (see attached list) | - | 65,414 |
| Mock & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | - |
| Security projects (see attached list) | 7,462,650 | 2,080,000 |
| Sports projects (see attached list) | 2,114,954 | 919,300 |
| Environment projects (see attached list) | 2,750,000 | 1,897,332 |
| Emergency projects (see attached list) | 7,859,958 | 9,404,741 |
| Total | 93,462,598 | 16,898,987 |

8. Acquisition of Assets

| | 2021-2022 | 2020-2021 |
|---|----------------|----------------|
| | Kshs | Kshs |
| Purchase of Buildings | - | - |
| Construction of Buildings | - | - |
| Refurbishment of Buildings | - | 534,975 |
| Purchase of Vehicles and Other Transport Equipment | - | 290,257 |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of Office Furniture and General Equipment | - | 132,700 |
| Purchase of ICT Equipment, Software and Other ICT Assets | 110,000 | - |
| Purchase of Specialized Plant, Equipment and Machinery | - | - |
| Acquisition of Land | - | - |
| Total | 110,000 | 957,932 |

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9. Other Payments

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

10: Cash Book Bank Balance

| Name of Bank, Account No. & Currency | 2021-2022 | 2020-2021 |
|---|------------------|-------------------|
| | Kshs | Kshs |
| 10A: Bank Accounts (Cash Book Bank Balance) | | |
| <i>Name of Bank, Account No. Cooperative-01141235497300</i> | 3,862,304 | 52,786,622 |
| Total | 3,862,304 | 52,786,622 |
| | | |
| 10 B: Cash on Hand | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Location 3 | - | - |
| Other Locations (<i>Specify</i>) | - | - |
| Total | - | - |

11: Outstanding Imprests

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

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Notes to the Financial Statement Continued

12A. Retention

| | 2021-2022 | 2020-2021 |
|--|-----------|----------------|
| | KShs | KShs |
| Retention as at 1 st July (A) | 141,383 | 242,691 |
| Retention held during the year (B) | - | 140,069 |
| Retention paid during the Year (C) | 141,383 | 241,378 |
| Closing Retention as at 30 th June D= A+B-C | - | 141,383 |

12B. Gratuity

| | 2021-2022 | 2020-2021 |
|---|----------------|----------------|
| | KShs | KShs |
| Gratuity as at 1 st July (A) | 511,880 | 679,400 |
| Gratuity held during the year (B) | 314,485 | 470,955 |
| Gratuity paid during the Year (C) | 472,924 | 638,475 |
| Closing Gratuity as at 30 th June D= A+B-C | 353,441 | 511,880 |

12 C Accounts Payable

| | 2021-2022 | 2020-2021 |
|--------------------------|-----------|-----------|
| | KShs | KShs |
| Reversed bursary cheques | | 203,435 |

13. Balances Brought Forward

| | 2021-2022 (1 st July 2021) | 2020-2021 (1 st July 2020) |
|---------------|--|--|
| | Kshs | Kshs |
| Bank accounts | 52,133,359 | 5,709,166 |
| Cash in hand | - | - |
| Imprest | - | - |
| Total | 52,133,359 | 5,709,166 |

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14. Prior Year Adjustments

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

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

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

| | 2021 – 2022 | 2020 – 2021 |
|---|-------------|-------------|
| | KShs | KShs |
| Deposit and Retentions as at 1 st July (A) | 653,263 | 922,091 |
| Deposit and Retentions held during the year (B) | 314,485 | 611,024 |
| Deposit and Retentions paid during the Year (C) | 614,307 | 879,853 |
| Rerveded Bursary cheques | - | 203,435 |
| closing account payables D= A+B-C | 353,441 | 856,697 |
| Changes in Accounts Payable E= D-E | 299,822 | 65,394 |

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

| | 2021-2022 | 2020-2021 |
|---------------------------|----------------|----------------|
| | Kshs | Kshs |
| NGCDFC Staff | 353,441 | 511,880 |
| Others (<i>specify</i>) | - | - |
| Total | 353,441 | 511,880 |

17.3: Unutilized Fund (See Annex 3)

| | 2021-2022 | 2020-2021 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Compensation of employees | 638,431 | 1,579,212 |
| Use of goods and services | | 906,233 |
| Committee Expenses | - | 66,082 |
| Amounts due to other Government entities (see attached list) | 7,587,310 | 47,378,191 |
| Amounts due to other grants and other transfers (see attached list) | 6,747,002 | 46,977,821 |
| Acquisition of assets | - | 477,854 |
| Funds pending approval | 625,000 | 361,000 |
| Prior Year adjustments (saving from bursary stale cheques) | - | 195,000 |
| Total | 15,597,743 | 97,940,894 |

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17.4: PMC account balances (See Annex 5)

| | 2021-2022 | 2020-2021 |
|--|------------|-------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | 28,477,283 | 24,572,814 |
| Total | 28,477,283 | 24,572,814 |

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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-CDPC Staff | | | | |
| 1. Violet Wambani Oryango | Accounts Assistant | 02.01.2018 | 85,073 | Gratuity payable as at 30th June 2022 |
| 2. Elizabeth Teresa Omuriya | Record Management Officer | 02.01.2018 | 73,678 | Gratuity payable as at 30th June 2022 |
| 3. Paul Omollo Odongo | Driver | 03.12.2018 | 37,738 | Gratuity payable as at 30th June 2022 |
| 4. Kevin Godfrey Were | Clerical Officer | 20.02.2019 | 23,961 | Gratuity payable as at 30th June 2022 |
| 5. Maxwell Francis Olukeye | Clerk of Works | 02.05.2021 | 94,036 | Gratuity payable as at 30th June 2022 |
| 6. Michael Wambetsa | Ex-Employee | 02.01.2018 | 38,956 | Gratuity payable as at 30th June 2022 |
| Sub-Total | | | 353,441 | |
| Grand Total | | | 353,441 | |

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Annex 3 – Unutilized Fund**

| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|--|--|-----------------------------|-------------------------------|----------|
| Compensation of employees | "Payment of staff salaries @Ksh 1,800,000 and gratuity @Ksh 600,000" | 638,431 | 1,579,212 | |
| Use of goods & services | Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea. | | 906,233 | |
| Committee expenses | Payment of committee sitting allowances, transport, conferences | - | | |
| Sub-Total | | 638,431 | 66,082 | |
| Amounts due to other Government entities | | | | |
| Primary school | | | | |
| Harambee Primary School | Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | 1,075,000 | | |
| Malanga Primary School | "Renovation of 2 Classrooms of 90 capacity Introduce a ringbeam, re-roofing, plastering the eaves, shuttering, flooring, painting and branding to completion" | 500,000 | | |
| Matili Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 Desks ksh.150,000.00 | 819,999 | | |
| Nambale Muslim Pri. School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | 1,075,000 | | |
| Segero Primary School | "Renovation of 2 Classrooms of 90 capacity Introduce a ringbeam, re-roofing, plastering the eaves, shuttering, flooring, painting and branding to completion" | 500,000 | | |
| St.Teresa Makale Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | 157,310 | | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|---------------------------------|--|-----------------------------|-------------------------------|----------|
| Matili Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 Desks ksh.150,000.00 | 1 | | |
| Opedur Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.1,050,491.21, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | 0 | | |
| St.Teresa Makale Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | 0 | | |
| Harambee Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Ikondokhera Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | | 2,150,000 | |
| Kachoroi Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Khuulwanda Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Koshalal Primary School | 1. Construction of one Classroom to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Madernde Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Maira Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|----------------------------|--|-----------------------------|-------------------------------|----------|
| Makongeni Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Malanga Primary School | "Renovation of 2 Classrooms of 90 capacity Introduce a ringbeam, re-roofing, plastering the eaves, shuttering, flooring, painting and branding to completion" | | 500,000 | |
| Matili Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 Desks ksh.150,000.00 | | 2,150,000 | |
| Mukemo Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | | 2,150,000 | |
| Mungatsi Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Musoma Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Mwangaza Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Namahindi Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 Desks ksh.150,000.00 | | 2,150,000 | |
| Nambale AC Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Nambale Muslim Pri. School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|---------------------------------|---|-----------------------------|-------------------------------|----------|
| Namisi Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Nang'eni Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.:950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 | | 1,075,000 | |
| Opedur Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh. 1,050,491.21, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 desks ksh.75,000.00 (Swampy area) | | 1,175,491 | |
| Sango Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.:950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Segero Primary School | "Renovation of 2 Classrooms of 90 capacity Introduce a ringbeam, re-roofing, plastering the eaves, shuttering, flooring, painting and branding to completion" | | 500,000 | |
| Buyofu Primary School | Renovation of 2 Classrooms of 90 capacity Re-roofing, plastering the eaves, shuttering, flooring, painting and branding to completion | | 450,000 | |
| Elwanikha Primary School | Completion of a 6 unit administration block 9 painting, ceiling Board, Fascia Board and Branding) Ksh. 400,000.00 and Electrical wiring and installation ksh. 50,000.00 | | 450,000 | |
| St.Teresa Makale Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | | 1,075,000 | |
| St.Teresa Makale Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | | 917,690 | |
| St.Teresa Makale Primary School | 1. Construction of two Classrooms of 90 capacity to completion with floor tiling ksh.1,900,000.00, 2. Electrical and lighting fixtures Ksh. 100,000.00 and 3. Purchase of 100 desks ksh.150,000.00 | | 157,310 | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|-----------------------------------|--|-----------------------------|-------------------------------|----------|
| Buloma Primary School | 1. Construction of one Classroom of 45 capacity to completion with floor tilling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 50 Desks ksh.75,000.00 | | 1,075,000 | |
| Secondary | | | | |
| Khayo Secondary School | 1. Construction of one Classroom of 45 capacity to completion with floor tilling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 30 lockers and chairs ksh.90,000.00 | | 1,090,000 | |
| Namaindi Secondary School | | | 1,090,000 | |
| Nambale Urban Sec. School | "1. Construction of one Classroom of 45 capacity to completion with floor tilling ksh.1,050,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 30 Lockers and chairs ksh.90,000.00 (Swampy area)" | | 1,190,000 | |
| St. Josephs Musokoto Sec. School | 1. Construction of one Classroom of 45 capacity to completion with floor tilling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 30 Lockers and chairs ksh.90,000.00 | | 1,090,000 | |
| St. Martins Kisoko Special School | Completion of 800 capacity dining hall (roofing, fascia board, installation of water gutters, windows, doors, flooring, painting, and decorations , mechanical works and branding to completion) ksh. 2,350,000.00 and electrical wiring and installation ksh. 150,000.00 | | 2,000,000 | |
| St. Paul's Elwanikha Girls Sec. | Additional funds for construction of a 300 capacity two storey dormitory phase one(Ground floor) to completion - Walling, plastering, windows and panes, fixing of doors, terrazzo electrical works, internal painting and suspended upto completion | | 5,000,000 | |
| Katira Secondary School | "1. Purchase of 2 acres of land Ksh.900,000.00, 2. Survey fee Ksh.100,000.00 and 3. valuation fees Ksh.30,000.00" | | 1,030,000 | |
| Sikinga Secondary School | Construction of a kitchen to completion at a cost of Ksh.1,900,000.00 and Electrical wiring and | | 2,100,000 | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|-----------------------------------|---|-----------------------------|-------------------------------|----------|
| Kaludeka Secondary School | 1. Construction of one Classroom of 45 capacity to completion with floor tiling ksh.950,000.00, 2. Electrical and lighting fixtures Ksh. 50,000.00 and 3. Purchase of 30 lockers and chairs ksh.90,000.00 | | 1,090,000 | |
| Tertiary | Mungatai TTI | | 672,700 | |
| Other Grants and transfers | | | | |
| Sports | To carry out a constituency sports tournament where the winning teams will be awarded with balls ,uniforms , trophies and payment of referees where facilitation of the tournament is Ksh 371,078.79 and purchase of balls ,uniforms , trophies and equipments- Ksh 1,000,000(Ksh 19,000 included being proceeds from sale of tenders, AIA declared) | | 1,869,133 | |
| Environment | | | | |
| Canon Awori Secondary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Harambee Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Kajoro Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Katira Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Madende Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Madibo Secondary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Mukemo Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Namaindi Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Nangeni Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|---|--|-----------------------------|-------------------------------|----------|
| St.Marys Nambale Primary School | facility to completion Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| St.Peters Khwilare Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Kaludeka Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Namisi Primary School | Construction of a 4 door pit latrine sanitation facility to completion | | 200,000 | |
| Security | | | | |
| Musokoto Division ACC office | Construction to completion of a 3-unit office Foundation, Walling, Roofing, Plastering, Shuttering, Tiling, Ceiling finishes, painting, electrical wiring and installation and brading | | 1,600,000 | |
| Esidende Assistant Chiefs Office | Construction to completion of a 3-unit office Foundation, Walling, Roofing, Plastering, Shuttering, Tiling, Ceiling finishes, painting, electrical wiring and installation and brading | | 1,600,000 | |
| Musokoto Assistant Chiefs Office | Construction to completion of a 3-unit office Foundation, Walling, Roofing, Plastering, Shuttering, Tiling, Ceiling finishes, painting, electrical wiring and installation and brading | | 1,600,000 | |
| Burasry Tertiary | Provision of bursary awards to needy students in secondary education institutions. | | 9,059,088 | |
| Bursary Secondary | Provision of bursary awards to needy students in secondary education | | 27,933,393 | |
| Emergency | To cater for any unforeseen occurrences in the constituency during the financial year | | 715,707 | |
| Acquisition of assets | Office Furniture & Equipment | | 477,854 | |
| Sale of tenders | | | 361,000 | |
| Prior Year adjustment(Savings from bursary stale cheques) | | | 195,000 | |
| Funds pending approval | | | | |
| Grand Total | | 15,597,743 | 97,940,894 | |

*Nambale Constituency
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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 | 3,000,000 | - | - | 3,000,000 |
| Buildings and structures | 16,951,445 | - | - | 16,951,445 |
| Transport equipment | 5,240,257 | - | - | 5,240,257 |
| Office equipment, furniture and fittings | 2,242,391 | - | - | 2,242,391 |
| ICT Equipment, Software and Other ICT Assets | 769,990 | 110,000 | - | 879,990 |
| Other Machinery and Equipment | - | - | - | - |
| Heritage and cultural assets | - | - | - | - |
| Intangible assets | - | - | - | - |
| Total | 28,204,083 | 110,000 | | 28,314,083 |

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Annex 5 –PMC Bank Balances as at 30th June 2022**

| PMC | Bank | Account number | Date Acc/Opened | Bank Balance 2021/22 | Bank Balance 2020/21 |
|-----------------------------|--------------|----------------|-----------------|----------------------|----------------------|
| Buloma primary school | Family | 079000027767 | 09.04.2015 | 946,965 | - |
| Buyofu Primary School | Co-operative | 01139236504500 | 22/01/2015 | 1,029 | 234,001 |
| Canon Awori Secondary Sec. | National | 01022114584600 | 04/03/2016 | 40,162 | 211,021 |
| Dulienge Primary | Co-operative | 01141783637900 | 10/05/2014 | 1,543 | 446,939 |
| Ekisumo primary school | Family | 079000025389 | 13/01/2015 | 400 | - |
| Elwanikha Girls Sec | National | 01047018067200 | 18/03/2015 | 7,722,220 | 3,372,506 |
| Elwanikha Primary | National | 01024036804901 | 26/11/2014 | 420,475 | 1,676 |
| Emakina Primary School | National | 0124237197600 | 13/01/2015 | 132,395 | 215,603 |
| Emukhuyu primary school | National | 01047037053000 | 18/03/2015 | 23,828 | - |
| Esidende Primary | KCB | 1178419185 | 03/02/2015 | 613,435 | - |
| Fr. Simon Sibembe Mixed Sec | National | 01242037226801 | 08/01/2016 | 801 | 199,990 |
| Igara primary school | National | 01022222010600 | 10/07/2014 | 42,007 | - |
| Ikondohera primary school | Co-operative | 01141237127400 | 29/08/2012 | 231,969 | - |
| Kajoro primary school | Family | 079000025861 | 09/04/2018 | 93 | - |
| Kaludeka Primary | Co-operative | 01141237061800 | 19/2/2013 | 1,213,301 | 209,563 |
| Kapina Primary School | KCB | 1137029943 | 03/05/2014 | 628 | - |
| Katira Primary | Co-operative | 01139235934500 | 06/10/2011 | 221,302 | 221,302 |
| Khayo primary school | National | 01047037200300 | 14/6/2011 | 4,092 | - |

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| PMC | Bank | Account number | Date Acc/Opened | Bank Balance 2021/22 | Bank Balance 2020/21 |
|------------------------------|--------------|-----------------|--------------------|----------------------------|----------------------------|
| Khayo secondary school | National | 4238000100 | 03/03/2014 | 136,447 | - |
| Khwirale center primary | National | 4238013000 | 02/06/2014 | 653 | - |
| Kisoko Boys Primary School | Co-operative | 01141237034700 | 11/05/2012 | 305,139 | 305,139 |
| Kisoko Girls High School | National | 01242037196900 | 02/10/2015 | 2,248 | 845,351 |
| Koshalal Primary School | National | 01047087398800 | 24/3/2015 | 54,641 | 918,933 |
| Lupida primary school | KCB | 1178058549 | 03/02/2015 | 1,847 | - |
| Lupida secondary school | KCB | 1136655050 | 08/01/2016 | 110,453 | - |
| Lwanyange Pri. School | Co-operative | 01141237170000 | 10/07/2014 | 78,276 | 606,627 |
| Mabunge R.C Primary | Co-operative | 01139236882800 | 14/08/2014 | 121,348 | 291,888 |
| Madende primary school | National | 010240368341001 | 14/04/2015 | 1,314,673 | - |
| Madibo Primary | National | 01224036796301 | 31/07/2019 | 1,778 | 1,778 |
| Madibo Secondary | Co-operative | 01139236797900 | 03/02/2015 | 54,341 | 1,612,956 |
| Maira primary school | Co-operative | 01139236078100 | 08/01/2016 | 11,931 | - |
| Makongeni primary school | Family | 079000024340 | 10/07/2014 | 85,401 | - |
| Malanga Asst. Chief's Office | Co-operative | 01141237061000 | 14/08/2014 | 15,592 | 4,314 |
| Manyole primary school | National | 010200360803500 | 14/04/2015 | 597,789 | - |
| Matili primary school | National | 0102408504820 | 31/07/2019 | 3,383 | - |
| Mungatsi primary school | Co-operative | 0113923688526 | 08/01/2016 | 138,398 | - |

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| PMC | Bank | Account number | Date Acc/Opened | Bank Balance 2021/22 | Bank Balance 2020/21 |
|------------------------------|--------------|-----------------|--------------------|----------------------------|----------------------------|
| Mungatsi TVC | Equity | 0780279967156 | 31/07/2019 | 5,585,718 | 5,735,488 |
| Musokoto b primary school | National | 01224036567401 | 18/7/2017 | 26,151 | - |
| Musokoto DEB Primary | Co-operative | 01139236805700 | 01/10/2018 | 1,468 | 699,153 |
| Mwangaza ACK Primary | National | 01242038018330 | 23/4/2018 | 288,345 | 633,909 |
| Namahindi primary school | Family | 079000025338 | 21/03/2014 | - | - |
| Nambale AC Primary | National | 01242037197700 | 09/10/2018 | 850,012 | 306,343 |
| Malanga Asst. Chief's Office | Co-operative | 01141237061000 | 23/1/2014 | 15,592 | 4,314 |
| Manyole primary school | National | 010200360803500 | 16/1/2018 | 597,789 | - |
| Matili primary school | National | 0102408504820 | 02/12/2018 | 3,383 | - |
| Mungatsi primary school | Co-operative | 0113923688526 | 14/08/2014 | 138,398 | - |
| Mungatsi TVC | Equity | 0780279967156 | 16/10/2014 | 5,585,718 | 5,735,488 |
| Musokoto b primary school | National | 01224036567401 | 16/8/2017 | 26,151 | - |
| Segero Secondary School | National | 01022220905500 | 18/7/2017 | 142,520 | 1,005,349 |
| Sianda primary school | National | 4237204000 | 13/11/2014 | 15,985 | - |
| Sibembe rc primary school | Co-operative | 011392359417 | 16/12/2014 | 32,077 | - |
| Siera Primary School | KCB | 1177420651 | 11/09/2015 | 1,804 | - |
| Sikinga primary school | Family | 079000025314 | 15/7/2014 | 585 | - |
| Sikinga Secondary School | National | 01242037650300 | 14/08/2014 | 442,353 | 1,483,927 |

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| PMC | Bank | Account number | Date Acc/Opened | Bank Balance 2021/22 | Bank Balance 2020/21 |
|----------------------------------|--------------|----------------|--------------------|----------------------------|----------------------------|
| St Martin Kisoko Special School | Co-operative | 01139236509400 | 16/10/2014 | 576,255 | 147,916 |
| St Marys Buyofu Sec | National | 0124376754300 | 16/8/2017 | 1 | 1 |
| St Marys Nambale Primary School | Co-operative | 01129239211700 | 18/7/2017 | 612,257 | 232,160 |
| St. Josephs Musokoto Sec | Co-operative | 01139236238900 | 13/11/2014 | 62,381 | 660,404 |
| St. Mark Maolo Sec. school | Co-operative | 01141237691100 | 16/12/2014 | 1,344,155 | 985,308 |
| St. Peters Khwirale Sec | Co-operative | 01139238548200 | 24/07/2019 | 374,933 | 1,226,553 |
| St. Teresa Makale Primary School | Co-operative | 01139237152400 | 17/4/2018 | 5,915 | 138,882 |
| Total | | | | 28,477,283 | 24,572,814 |

*Nambale Constituency
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Annex 6: Progress on Follow Up of Auditor Recommendations*

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

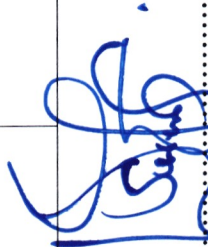
| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--------------------------------------|---|
| 1. | <p>Unsupported Project Management Committee (PMC) Bank Account Balances- Note 17.4 to the financial statements reflects Project Management Committee (PMC) bank account balances totaling Kshs. 24,572,814 as at 30 June, 2021, as detailed in Annex 5 to the financial statements. However, bank reconciliation statements and cash books in support of these balances were not provided for audit review.</p> <p>1. Consequently, the validity and accuracy of the Project Management Committee bank account balances of Kshs. 24,572,814 as at 30 June, 2021, could not be confirmed.</p> | <p>The PMC balances were obtained from the various banks where the PMCs maintains their NGCDF accounts through letters. (Annex 1 -Bank letters requesting the PMC balances</p> | Resolved | |
| 2. | <p>Purchase of Land -The statement of receipts and Payments reflects a balance of Kshs.80,145,600 under transfers to other Government entities which includes, as shown under Note</p> | <p>The PMC bought the land but they are currently processing the land title. However, the</p> | Not resolved | 30 th June 2023 |

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National Government Constituencies Development Fund (NGCDF)
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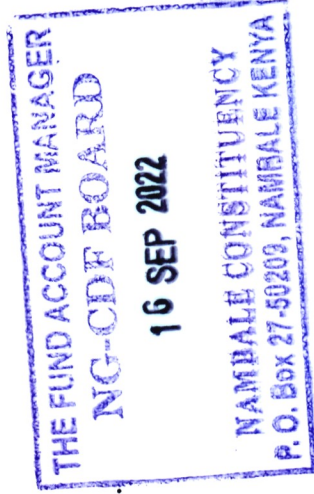
| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|-----------------------------------|--|
| | <p>6, an amount of Kshs.32,655,000 transferred to Secondary Schools. This amount of Kshs.32,655,000 includes an amount of Kshs.1,030,000 transferred to St. Mary's Nambale Secondary School for purchase of land. However, the Project Management Committee did not provide a valuation report and title deed for the land.</p> <p>2. Consequently, the fair value, ownership and existence of the land could not be confirmed</p> | <p>following documents are available for audit review. (Annex 2- Copy of land sale agreement, copy of land valuation report minutes)</p> | | |
| 3. | <p>Budgetary Control and Performance- The summary statement of appropriation indicates that the Fund had a final approved budget of Kshs.212,526,769 but realized actual receipts of Kshs.167,437,890 (or about 79%). No explanation was provided for the shortfall of Kshs.45,088,879</p> <p>In addition, out of the actual receipts of Kshs.167,437,890 realized during</p> | <p>At the close of the financial year NGCDF Nambale had not received full funding from the board, this therefore did not allow the committee to utilize the funds as per the financial year budget. (Annex 3- Copies of AIFs for funds received after 30th June 2021)</p> | Resolved | |

**Nambale Constituency
National Government Constituencies Development Fund (NGCDF)
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| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---------------------|--------------------------------------|---|
| | <p>the year, the Fund utilized only Kshs. 114,585,876 (or about 68%). No explanation was provided for the failure to utilize the balance of Kshs.52,852,014.</p> <p>Consequently, the Fund did not provide services to the residents of the Constituency as had been planned.</p> | | | |



Name: Edwin Serem
Fund Account Manager.



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