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REPORT

THE NATIONAL ASSEMBLY
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DATE: 14 AUG 2024

DAY: WEDNESDAY

TABLED BY: Hon. D. Wilson Baya
Deputy Speaker of the National Assembly
MAJORITY PARTY

CLERK-AT THE TABLE: ESTHER NG'ETO

OF THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KINANGO CONSTITUENCY

**FOR THE YEAR ENDED
30 JUNE, 2023**



OFFICE OF THE AUDITOR GENERAL
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KINANGO CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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I. Acronyms and Abbreviations

NGCDF- National Government Constituency Development Fund

PFM- Public Finance Management

IPSAS- International Public Sector Accounting Standards.

PMC- Project Management Committee

FY- Financial Year

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 2022. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Kinango 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)

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Flora Mutua
2.	Sub-County Accountant	Stephen K. Mwachia
3.	Chairman NGCDFC	Augustino Mukamba Ngao
4.	Member NGCDFC	Josephine Mwaka Mwandoro

(a) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kinango 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.

(b) Kinango Constituency NGCDF Headquarters

NGCDF Kinango Constituency Offices
Kinango NGCDF Office Building
Kinango Sub-county Head Quarters
P.O. Box 41
Kinango, Kwale County - Kenya

(c) Kinango Constituency NGCDF Contacts

Telephone:(254)71062
9633
E-mail:
cdfkinango@ngcdf.go.ke
Website:
www.cdf.go.ke

(d) Kinango Constituency NGCDF Bankers

KCB Bank Limited
Kwale Branch
A/C NO 1108631142
P.O. Box 60 80500
Kwale, Kenya

(e) Independent Auditors

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

(f) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

III. NG-CDFC Chairman's Report



AUGOSTINE MUKAMBA

Background

Kinango Constituency is geographically located in Kwale County in the southern region of coastal Kenya. It covers a total area of 4,011 square kilometers and borders Lungalunga in the south, Matuga and Changamwe in the east, Kaloleni, Ganze in the North and Voi in West. According to the most recent census data, it has a total population of 249,560 people with a poverty index of 84.5%. Most of Kinango land mass is semi arid.

Administratively, Kinango Constituency is composed of 7 electorate wards; namely: Kinango ward, Mwavumbo ward, Kasemeni ward, Puma ward, Samburu ward, Mackinnon road ward and Ndavaya ward.

Financial Statement FY 2022-2023

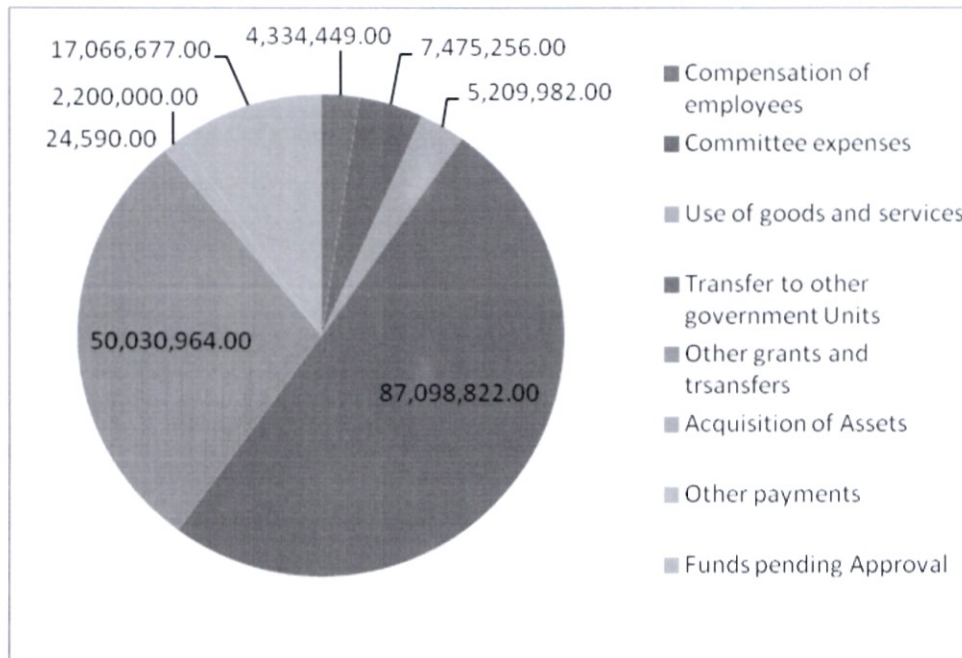
I am pleased to forward the Financial Statements and Reports for NGCDF Kinango Constituency for the period ended 30th June 2023 as the expedited Budget for the Financial Year 2022/2023. The actual budget from the NGCDF Board for the referred period was kshs. 158,832,745 total annual Project Proposal Budget for the FY 2022/2023. The actual final budget for the referred period was kshs. 173,440,740 backed up by opening balance (unutilized funds balances brought forward) of kshs. 14,607,995.

Total expenditure for the period was Kshs. 98,492,354 which is equivalent to 56.8% of the actual final budget closing with a unutilized funds balance of Kshs. 74, 948,386 representing a 43.2% of the final actual budget for the referred period.

2. PROJECTS OUT PUT AND LEVEL OF FUND UTILIZATION

The low level of project implementation was due to delays occasioned by late disbursement of funds by the Board coupled with the bureaucracies in the procurement laws which makes it virtually unviable to expend the budget within the required time frame

Hence the less than 100% utilization is as shown in the bar-graph below



PERENIAL ISSUES

Kinango Constituency suffers from pre-independence challenges of;

- i. Diseases,
- ii. Illiteracy
- iii. Poverty

As a result, the fund has continuously endeavoured to lead in the fight against illiteracy by supporting education 100% through infrastructure development and students sponsorship, construction of security facilities notable chief’s offices and police posts in every village of the constituency and more so promotion of sports and conservation of the environment.

EMERGING ISSUES

- i. Economic collapse caused by covid-19 pandemic
- ii. Climatic changes causing droughts, unpredictable rainfall
- iii. Ban on charcoal burning
- iv. High rural-urban migration by youth due to joblessness thus stripping the community of much needed man-power for development

Despite a few challenges here and there, NG-CDF continues to be one of the most preferred devolved funds at the grassroots by the society due to its broadened and inclusive management style and the visible tangible results that have brought hope to many villages that not so long ago were leaving in despair and ravaging poverty.

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Name: Augustino Ngao
CHAIRMAN NGCDF COMMITTEE

IV. - Statement of Performance against Predetermined Objectives for FY2022/23

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 Kinango Constituency *2022-2027* plan are to:

Kinango Constituency is mainly made up of the semi-arid lands of Kwale County. Thus the main economic activity is small scale farming and animal husbandry. Arable land is majorly semi-arid though the population practice some crop production mainly food crops such as maize, beans, green grams and sim-sim. They also keep some livestock such as cows and goats.

The constituency has people of diverse culture that co-exist and participate in the development of the constituency but majority of the population is composed of the Duruma community

Majority of the population is poor and records high illiteracy rate and perennial food deficit. This is one of the biggest challenges that faces the population of Kinango Constituency. In terms of infrastructural development, the constituency lags behind in poor road network, inadequate safe drinking water, schools, security infrastructure and health facilities.

Majority of the population of Kinango Constituency derive their livelihood from subsistence agriculture and livestock keeping. The area experiences unreliable rainfall and the population has perennial shortage of food and has repeatedly to depend on the government for food relief. Thus 65 per cent of the populations are food poor, 43 per cent are hard-core poor meaning that they cannot meet the basic minimum food requirements even after spending all their income on food alone. About 60 per cent of the adult population cannot meet the minimum cost of food and non-food items essential for human life hence are absolutely poor. In terms of gender, 45 percent of the poor are male and 55 percent are female. The highest poverty incidence is found in the hinterland areas of the constituency where majority inhabitants are Duruma.

Lack of sufficient and reliable sources of potable water supply and sanitation services in Kinango Constituency have greatly contributed to the high poverty levels inherent of the area. Provision of readily available potable water supply and improved sanitation will impact positively on the livelihoods of the communities by availing adequate time for engagement in farming and other economic activities, eradication of water borne related diseases, improved food security and better health care services

The constituency has endeavoured to come up with strategic objectives and related programmes and projects that have been formulated to better the livelihoods of the constituents as envisaged in the five year strategic plan (2018-2022). This is a commitment by the Kinango NGCDF Committee to initiate projects for a period of five years that is expected to transform the livelihoods of the constituents for the better.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	In the FY 2022/2023 we have increased number of Classrooms 10 and 40 in secondary school and primary schools respectively, Dormitory and twin science laboratory. Construction of 1 twin science and dormitory to Mazeras high and Mazeras girls' secondary School.
Security	To have all government security agencies within the constituency provided with administration offices and secured working environment	Heightened security within the constituency that guarantees safe working environment and peaceful co- existence of communities and improved service delivery to the citizens	Number of police posts constructed and furnished Number of chiefs offices constructed and furnished	In the FY 2022/2023 , Construction of DCC Samburu will be implemented
Environment	Rehabilitation and Conservation of	Restoration of nature and protecting nature from	Number of tree seedlings planted, gabions	In the FY 2022/2023, we bought water tanks and rain water good to 12no. Schools.

	environment	degradation and pollution	constructed, water harvesting facilities initiated and pit- latrines constructed	
Sports	Promotion of Sports and Sporting activities	Harnessing of youth talents and promotion of peaceful coexistence of communities through social welfare activities such as ball games, boat racing and donkey competitions	Number of teams participated in sponsored sporting events Infrastructures constructed in institutions that providing sporting space Sporting gear and equipment procured for sporting teams	In the FY 2022/2023, we are yet to hold sport torments
Social Security Programs	Promotion of social welfare programs and activities	Provision of public amenities that cater for public utilities	Construction of public Dias Procurement of Office motor vehicles that enhance service delivery to the public	In the FY 2022/2023, we did not allocate funds to NHIF.

V. Statement of Governance

Statement of governance

Process of appointment and removal of NG-CDFC

Section 43 of the NG-CDF ACT establishes NG-CDF Committee for every constituency. After every election the FAM, officer of the NG-CDF Board announces the positions of the NG-CDF committee membership.

After receiving the application an adhoc committee chaired by the DCC is appointed to conduct the interviews to get members of the committee based on the following categories.

- i. Two men representative
- ii. Two women representative
- iii. Two youth representative
- iv. One person living with disability
- v. Two appointees from the constituency office

Removal

One of the above NG-CDFC members shall be removed from the membership based on the following grounds

Lack of integrity

Gross misconduct

Embezzlement of public funds

Promoting an ethical practices

Causing disharmony within the committee

Physical or mental infirmity

A decision to remove a member based on the above ground shall be made through a resolution of at least five members of the committee and the members sought to be remove shall be given a fair hearing before the resolution if made.

A vacancy arising as result of the removal of a member shall be filled in the manner set out in sub section 10 and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

Role of NG-CDF COMMITTEE

The of NG-CDF committee is to develop project proposals in consultation with the public within the constituency, through period ward level open forums, submit them to the NG-CDF Board for approval and facilitates the PMC in the planning , implementation and sustenance of the projects once complete.

One of meetings

The NG-CDF committee shall hold a minimum of 12 meetings and maximum of 24meetings per year including sub committees. A among the agenda of the meeting shall be declaration of interest by a member.

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Kinango 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 2022/2023 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

In the FY 2022/2023, we bought water tanks and rain water good to 7no. Schools.

Employee welfare

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

3. Market place practices-

Kinango 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

4. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

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

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

Public Awareness

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

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



.....
Flora Mutua

Fund Account Manager

VII. 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.

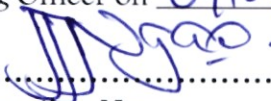
The Accounting Officer in charge of the NGCDF-Kinango Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. 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-Kinango 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 Kinango financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kinango Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kinango 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- Kinango Constituency financial statements were approved and signed by the Accounting Officer on 09/04 2024.



.....
Name: Augustino Ngao
Chairman – NGCDF Committee



.....
Name: Flora Mutua
Fund Account Manager

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KINANGO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kinango Constituency set out on pages 1 to 44, which comprise of the statement of assets and liabilities as at 30 June, 2023, the

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kinango Constituency as at 30 June, 2023, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

1. Variances Between Financial Statements and Summary of Fixed Assets Register

Annexure 4 to the financial statements discloses summary of fixed asset register totalling Kshs.51,416,890. However, the schedule provided to support this amount reflects Kshs.39,476,754, resulting to an unexplained variance of Kshs.11,940,136.

In the circumstances, the accuracy and completeness of the summary of fixed asset register could not be confirmed.

2. Irregular Expensing of Gratuity for Contractual Employees

The statement of receipts and payments reflects compensation of employees Kshs.3,764,788 which include Kshs.250,637 for staff gratuity payments as detailed in Note 4 to the financial statements. However, the seven employees have not yet received the expensed gratuity payments and the Fund has no deposit account.

This contravenes the provided contracts that stipulates that contracted employees shall be eligible for a service gratuity calculated at 31% of the employees' annual basic salary for every one year of contract.

In the circumstances, the accuracy and completeness of compensation of employees' balance of Kshs.3,764,788 could not be confirmed

3. Unsupported Training Expenses

The statement of receipts and payments reflects use of goods and services totalling Kshs.3,940,873 which include training expenses of Kshs.1,193,170 as disclosed in Note 6 to the financial statements. However, an expenditure of Kshs.434,000 towards the National Government Constituencies Development Fund – Kinango Constituency Committee training was not supported with training need assessment or purpose and the training venue and report.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.434,000 on training could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund – Kinango Constituency Management in accordance with ISSAI 130 on the 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.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual amounts on comparable basis of Kshs.173,440,740 and Kshs.102,541,318 respectively, resulting in an under-funding of Kshs.70,899,422, or 41% of the budget. However, the Fund spent Kshs.98,492,353 against an actual receipt of Kshs.102,541,318 resulting to an under-utilization of Kshs.4,048,965 or 4% of the actual receipts.

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

My opinion is not modified in respect of this matter.

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

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statement, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, although Management has indicated as having resolved the prior year audit issues no evidence was provided to support that status.

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, 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. Irregular Procurement of Construction of Classrooms

The statement of receipts and payments reflects transfers to other government units of Kshs.42,298,821 as disclosed in Note 7 to the financial statements. Review of sampled procurement documents provided for audit revealed that six (6) projects for proposed construction of twelve (12) classrooms at six primary schools implemented by the Fund whose contract sum amounted to Kshs.16,669,921 had an amount of Kshs.6,000,000 transferred during the year.

However, review of the project files revealed the following procurement anomalies;

- i. There was no register for tenders deposited in the tender box or those received at the National Government Constituencies Development Fund – Kinango Constituency office. It was therefore difficult to ascertain whether the tenderer who responded and was evaluated alone was the only one who responded for the work.
- ii. The evaluators did not evaluate the tenderer independently. However, a summary of evaluation was filled without apportioning how much each evaluator scored each tenderer.
- iii. Tenderer was not requested to provide tender security contrary to section 61(1)c of the Public Procurement and Disposal Act, 2015, which requires that tender security be provided with tenders, an amount of not more than two percent of the tender.

In the circumstances, the regularity and value for money on Kshs.6,000,000 could not be confirmed and Management was in breach of the law.

2. Inadequate Budget for Construction of a High School

The statement of receipts and payments reflects transfers to other government units totalling Kshs.42,298,821 as disclosed in Note 7 to the financial statements. Construction records provided for audit revealed that the Fund approved the construction of a High School whereby Phase 1 entailed the construction of twelve (12) cubicles with a capacity for ninety-six (96) students, five-door flush toilets (including one chamber for persons with disabilities), three-door bathrooms and an ablution block. The allocated amount for this project in the 2022/2023 financial year was Kshs.6,000,000. However, while the contract sum for the project was Ksh12,688,770, the school went ahead to procure works with inadequate budget allocation. Further, the lowest evaluated bidder who scored 85% at the technical evaluation was not awarded the tender. In addition, audit verification carried out during the month of March confirmed that the contractor had been paid Kshs.3,366,969 which includes Kshs.2,102,560 for the substructure yet the substructure, was incomplete.

In the circumstances, the regularity and value for money on the expenditure of Kshs.3,366,969 could not be confirmed.

3. Procurement Irregularities in Construction of Classrooms

The statement of receipts and payments reflects Kshs.42,298,821 on transfers to other government units as disclosed in Note 7 of the financial statement. Review of procurement records provided for audit revealed that the Fund entered into contract for the construction of two (2) classrooms at a Secondary School for a contract sum of Kshs.2,709,366. Procurement documents provided for audit revealed that no bid was responsive and the tender was to be re-advertised. However, there was no evidence that this took place as the tender opening and evaluation minutes for the re-advertised bid were not provided for audit .

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 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 comply 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 LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The Standards require that I plan and perform the audit to obtain assurance about whether processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls, as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that

might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks 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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the Financial Statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 May, 2024

Kinango Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	89,000,000	182,177,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		89,000,000	182,177,758
Payments			
Compensation Of Employees	4	3,764,788	3,045,895
Committee expenses	5	4,034,337	4,673,900
Use Of Goods and Services	6	3,940,873	3,780,134
Transfers To Other Government Units	7	42,298,821	119,515,351
Other Grants and Transfers	8	40,597,945	69,694,194
Acquisition Of Assets	9	24,590	1,670,500
Oversight Committee Expenses	10	531,000	-
Other Payments	11	3,300,000	-
Total Payments		98,492,354	202,379,974
Surplus/ (Deficit)		(9,492,354)	(20,202,216)

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

The Constituency financial statements were approved by the NGCDFC on 09/04/2024 and signed by:



Fund Account Manager
Name: Flora Mutua



National Sub-County
Accountant
Name: Stephen Mwachia
ICPAK M/No: 78959



Chairman NG-CDF
Committee
Name: Augustino Mukamba

Kinango Constituency
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X. Statement of Assets and Liabilities as at 30th June, 2023


	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	12A	4,048,964	13,541,318
Cash Balances (Cash at Hand)	12B	-	-
Total Cash and Cash Equivalents		4,048,964	13,541,318
Accounts Receivable			
Outstanding Imprests	13	-	-
Total Financial Assets		4,048,964	13,541,318
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
Total Financial Liabilities			
Net Financial Assets		4,048,964	13,541,318
Represented By			
Fund Balance B/Fwd	15	13,541,318	33,743,534
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		(9,492,354)	(20,202,216)
Net Financial Position		4,048,964	13,541,318

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

The Constituency financial statements were approved by NG CDFC on 09/04/2024 and signed by:


 Fund Account Manager
 Name: Flora Mutua


 National Sub-County
 Accountant
 Name: Stephen Mwachia
 ICPAK M/No: 78959


 Chairman NG-CDF
 Committee
 Name: Augustino Mukamba

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XI. Statement of Cash Flows for the Year Ended 30th June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	89,000,000	182,177,758
Other Receipts	3		
Total Receipts		89,000,000	182,177,758
Payments			
Compensation Of Employees	4	3,764,788	3,045,895
Committee Expenses	5	4,034,337	4,673,900
Use Of Goods and Services	6	3,940,873	3,780,134
Transfers To Other Government Units	7	42,298,821	119,515,351
Other Grants and Transfers	8	40,597,945	69,694,194
Oversight Committee Expenses	10	531,000	-
Other Payments	11	3,300,000	
Total Payments		98,467,764	-
Total Receipts Less Total Payments		-	-
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		(9,467,764)	(18,531,716)
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	(24,590)	(1,670,500)
Net Cash Flows from Investing Activities		(24,590)	(1,670,500)
Net Increase In Cash And Cash Equivalent		(9,492,354)	(20,202,216)
Cash & Cash Equivalent At Start Of The Year	12	13,541,318	33,743,534
Cash & Cash Equivalent At End Of The Year	12	4,048,964	13,541,318

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

The Constituency financial statements were approved by NG CDFC on 09/04/ 2024 and signed by:



Fund Account Manager
Name: Flora Mutua



**National Sub-County
Accountant**
Name: Stephen Mwachia
ICPAK M/No: 78959



**Chairman NG-CDF
Committee**
Name: Augustino Mukamba

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XII. Summary Statement of Appropriation for the Year Ended 30th June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	<i>2022-2023</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>2022-2023</i>	<i>2022-2023</i>		
Receipts							
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	158,832,745	13,541,318	1,066,677	173,440,740	102,541,318	70,899,422	
Proceeds From Sale of Assets					-	-	
Other Receipts					-	-	
Totals	158,832,745	13,541,318	1,066,677	173,440,740	102,541,318	70,899,422	59.1%
Payments							
Compensation Of Employees	2,630,382	1,704,067		4,334,449.00	3,764,788	569,661	86.9%
Committee Expenses	6,454,583	877		6,455,460.00	4,034,337	2,421,123	62.5%
Use Of Goods and Services	5,209,982	171,498		5,381,480.35	3,940,873	1,440,607	73.2%
Transfers To Other Government Units	76,000,000	11,098,822		87,098,822.00	42,298,821	44,800,001	48.6%
Other Grants and Transfers	48,389,500	541,464		48,930,964.00	40,597,945	8,333,019	83.0%
Acquisition of Assets	-	24,590		24,590.00	24,590	-	100.0%
Oversight Committee Expenses	848,298	-		848,298.05	531,000	317,298	62.6%
Other Payments	3,300,000	-		3,300,000.00	3,300,000	-	100.0%
Funds Pending Approval**	16,000,000		1,066,677	17,066,677.00	-	17,066,677	
Totals	158,832,745	13,541,318	1,066,677	173,440,740	98,492,354	74,948,386	56.8%

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National Government Constituencies Development Fund (NGCDF)
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***Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*

Explanatory Notes.

- (a) NG-CDF Kinango did not raise any AIA for the financial year 2022/2023
- (b) Underutilization of funds was due to delayed disbursement of funds from NG-CDF Board. The vote heads affected by the delayed disbursement were, committee expenses, use of goods and services, transfer to other government units, other grants and transfers and oversight committee expenses.

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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	74,948,386
Less undisbursed funds receivable from the Board as at 30 th June 2023	70,899,422
	4,048,964
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 th June 2023	4,048,964

The Constituency financial statements were approved by NG CDFC on 09/04/ 2024 and signed by:

		
_____ Fund Account Manager Name: Flora Mutua	_____ National Sub-County Accountant Name: Stephen Mwachia ICPAK M/No: 78959	_____ Chairman NG-CDF Committee Name: Augustino Mukamba

XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

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			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,630,382	1,704,067		4,334,449	3,764,788	569,661
1.2 Committee allowances	2,754,583	247	471,178	2,754,830	2,283,652	471,178
1.3 Use of goods and services	4,145,000	171,499	2,316,499	4,316,499	2,000,000	2,316,499
Sub-total	9,529,965	1,875,813	256,949.63	11,405,778	8,048,440	3,357,338
2.0 Monitoring and evaluation			500,000.00			
2.1 Capacity building	1,450,000	120	3,544,627	1,450,120	1,193,170	256,950
2.2 Committee allowances	2,250,000	510		2,250,510	1,750,510	500,000
2.3 Use of goods and services	1,064,982			1,064,982	747,703	317,279
Sub-total	4,764,982	629		4,765,612	3,691,383	1,074,229
3.0 Emergency	6,536,190	-	-	6,536,190	-	-
3.1 Primary Schools	-	-	-	-	-	-
3.2 Secondary schools	-	-	-	-	2,700,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	97,208	-	97,208	97,208	-
Sub-total	6,536,190	97,208	-	6,633,398	2,797,208	3,836,190

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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			
4.0 Bursary and Social Security						
4.1 Primary Schools	20,000,000			20,000,000	20,000,000	
4.2 Secondary Schools	15,500,000	-		15,500,000	15,500,000	-
4.3 Tertiary Institutions		432,000		432,000	432,000	
4.4 Universities	-	3,441		3,441	3,441	-
4.5 Social Security	-	-		-	-	-
Sub-total	35,500,000	435,441	-	35,935,441	35,500,000	-
5.0 Sports	3,176,655	6,607	-	3,183,262	6,607	-
5.1	-	-	-	-	-	-
5.2	-	-	-	-	-	-
5.3	-	-	-	-	-	-
Sub-total	3,176,655	6,607	-	3,183,262	6,607	3,176,655
6.0 Environment						
Chirima Cha Uha Primary	264,000			264,000	264,000	-
Nyango Primary School	264,000			264,000	264,000	-
Maendeleo Primary School	264,000			264,000	-	264,000
Kilibasi Primary School	264,000			264,000	264,000	-
Mwangoloto Primary School	264,000			264,000	264,000	-

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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Chidzipwa Primary School	264,000			264,000	-	264,000
Maiyini Primary School	264,000			264,000	264,000	-
Dzimanya Primary School	264,000			264,000	-	264,000
Dzoya Hewa Primary School	272,655			272,655	272,655	-
Gangani Primary School	264,000			264,000	-	264,000
Mbilini Primary School	264,000			264,000	-	264,000
Mwakijembe Secondary School		2,000		2,000	2,000	-
Mgalani Primary School		208		208	208	-
Sub-total	3,176,655	2,208	-	3,178,863	1,858,863	1,320,000
7.0 Primary Schools Projects (List all the Projects)						
Mwanyundo Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Rorogi Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Chirima Cha Uha Primary	2,800,000			2,800,000	1,000,000	1,800,000
Mafundani Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Nyango Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Mwangoni Primary School	2,800,000			2,800,000	-	2,800,000
Maendeleo Primary School	2,800,000			2,800,000	-	2,800,000
Kilibasi Primary School	2,800,000			2,800,000	1,000,000	1,800,000

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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			
Kinagoni Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Sega Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Mwangoloto Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Chidzipwa Primary School	2,800,000			2,800,000	-	2,800,000
Mlola Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Maiyini Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Dzimanya Primary School	2,800,000			2,800,000	-	2,800,000
Dzoya Hewa Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Gangani Primary School	2,800,000			2,800,000	-	2,800,000
Mbilini Primary School	2,800,000			2,800,000	-	2,800,000
Kajiweni Central Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Bumburi Primary School	2,800,000			2,800,000	1,000,000	1,800,000
Desks		2,809		2,809	2,809	-
Sub-total	56,000,000	2,809	-	56,002,809	14,002,809	42,000,000
8.0 Secondary Schools Projects (List all the Projects)						
Dalu Tayari Girls Secondary School		11,000,000		11,000,000	11,000,000	-
Mtaa Secondary School		96,013		96,013	96,013	-
Mpirani Secondary School	2,800,000			2,800,000	2,800,000	-
Mazeras High School	6,000,000			6,000,000	6,000,000	-

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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			
Julani Secondary	2,800,000			2,800,000	2,800,000	-
Salim Mvurya Secondary School	2,800,000			2,800,000	2,800,000	-
Kibandaongo Secondary School	2,800,000			2,800,000	-	2,800,000
Mwabila Secondary School	2,800,000			2,800,000	2,800,000	-
Sub-total	20,000,000	11,096,013	-	31,096,013	28,296,013	2,800,000
9.0 Tertiary institutions Projects (List all the Projects)						
9.1						
9.2						
9.3						
Sub-total						
10.0 Security Projects						
10.1						
10.2						
10.3						
Sub-total						
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						

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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			
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers		21		21	21	
11.5 Purchase of land		24,569		24,569	24,569	
Sub-total	-	24,590	-	24,590	24,590	
12.0 Oversight Committee Expenses (itemize)						
COC Members allowance	400,000	-	-	400,000	300,000	100,000
Other COC expenses	448,298	-	-	448,298	231,000	217,298
Sub-total	848,298	-	-	848,298	531,000	317,298
13.0 Others						
Kinango Constituency Strategic Plan	3,300,000			3,300,000	3,300,000	-
13.2 Innovation Hub						
13.2						
Sub-total						
Funds pending approval**	16,000,000		1,066,677	17,066,677		17,066,677
Total	16,000,000	-	1,066,677	17,066,677	-	17,066,677
	158,832,745	13,541,318	1,066,677	173,440,741	98,492,354	74,948,386

(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.

XIV. 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-Kinango 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 Equivalent.

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 8th June 2023 for the period 1st July 2023 to 30th June 2023 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.

Significant Accounting Policies Continued

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 2023

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.

XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
B185113	7,000,000	-
B185524	6,000,000	-
B185649	15,000,000	-
B206147	5,000,000	-
B206413	12,000,000	-
B205785	12,000,000	-
B207546	16,000,000	-
B207807	16,000,000	-
B 126451	-	23,838,879
B 105470	-	44,000,000
B 105815	-	24,000,000
B 128556	-	5,000,000
B 128868	-	12,000,000
B 154064	-	12,000,000
B 164405	-	20,000,000
B 96578	-	20,088,879
B155968	-	21,250,000
TOTAL	89,000,000	182,177,758

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment		
Others (specify)		
Total	-	-

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3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Other Receipts Not Classified Elsewhere		
Total	-	-

Notes to the Financial Statements (Continued)

4. Compensation of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,932,270	2,611,959.00
Personal allowances paid as part of salary		
House Allowance	175,000	-
Transport Allowance	130,000	-
Leave allowance	-	-
Gratuity to contractual employees	1,391,438	267,616.00
Employer Contributions Compulsory national social security schemes	136,080	166,320.00
Total	3,764,788	3,045,895.00

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	801,257	2,192,250
Other committee expenses	3,233,080	2,481,650
Total	4,034,337	4,673,900

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6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	963,061	305,6510
Communication, supplies and services	-	138,417
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	1,193,170	929,440
Hospitality supplies and services		
Insurance costs	297,838	340,291
Specialised materials and services		
Office and general supplies and services		366,396
Fuel , oil & lubricants	400,000	799,939
Other operating expenses		
Bank Charges	25,418	12,000
Security operations		
Routine maintenance - vehicles and other transport equipment	630,736	888,000
Routine maintenance- other assets	430,650	
Total	3,940,873	3,780,134

Notes To The Financial Statements (Continued)

7. Transfer to Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	14,002,808	65,615,351
Transfers To Secondary Schools (See Attached List)	28,296,013	53,900,000
Transfers To Tertiary Institutions (See Attached List)		
Total	42,298,821	119,515,351

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	30,400,000	17,000,500.00
Bursary – tertiary institutions (see attached list)	5,100,000	15,158,000.00
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	435,268	3,876,000
Security projects (see attached list)	-	5,538,879
Sports projects (see attached list)	6,607	5,300,000
Environment projects (see attached list)	1,858,863	4,698,000
Emergency projects (see attached list)	2,797,207	7,122,815
Roads projects (see attached list)	-	11,000,000
Total	40,597,945	69,694,194

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Notes To the Financial Statements (Continued)

9. Acquisition of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	1,670,500
Purchase of Vehicles and Other Transport Equipment	24,590	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	24,590	1,670,500

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	231,000	-
Other COC expenses	300,000	-
Total	531,000	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	3,300,000	-
ICT Hub		
Total	3,300,000	

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (Main account)</i>	4,048,964	13,541,318
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	4,048,964	13,541,318
12 B: Cash on Hand		
Location 1		
Location 2		
Location 3		
Other Locations (<i>Specify</i>)		
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

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

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

14 A. Retention	2022-2023	2021-2022
	Kshs	Kshs
Retention as at 1 st July (A)		
Retention held during the year (B)		
Retention paid during the Year (C)		
Closing Retention as at 30 th June D= A+B-C	-	-

14 B. Gratuity	2022-2023	2021-2022
	Kshs	Kshs
Gratuity as at 1 st July (A)		
Gratuity held during the year (B)		
Gratuity paid during the Year (C)		
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	13,541,318	33,743,534
Cash in hand		
Imprest		
Total		
Less		
Payables: - Retention		
Payables – Gratuity		
Fund Balance Brought Forward	13,541,318	33,743,543

[Provide short appropriate explanations as necessary]

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
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)

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	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		
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	Kshs	Kshs
Deposit and Retentions as at 1 st July (A)		
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		
closing account payables D= A+B-C		
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	250,637	-
Others (<i>specify</i>)	-	-
Total	250,637	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	569,661	1,704,067
Committee expenses	2,421,123	-
Use of goods and services	1,440,607	172,375
Amounts due to other Government entities (see attached list)	44,800,001	11,098,822
Amounts due to other grants and other transfers (see attached list)	8,333,019	541,464
Acquisition of assets	-	24,590
Oversight Committee Expenses	317,298	-
Other Payments (<i>specify</i>)	-	-
Funds pending approval	17,066,677	1,066,677
Total	74,948,386	14,607,995

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18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	30,226,819	13,565,488
Total	30,226,819	13,565,488

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				
1. Mangale Yonga	Account Clerk	01/02/2023	46,764	Funds will be kept in deposit account awaiting payment to NGCDFC staffs' at the end of their contract period.
2. Kidemu Stephen Mwambire	Clerk of works	01/02/2023	46,764	
3. Mkuta Agrippa Nyondo	Record Management Officer	01/02/2023	38,099	
4. Nyae Johnson Chaka	Driver	01/02/2023	33,325	
5. Peter Victoria Mwaka	Front Office Assistant	01/02/2023	33,325	
6. Kagia Asha Wanjiku	Subordinate Staff	01/02/2023	26,180	
7. Mgandi Chiboko	Subordinate Staff	01/02/2023	26,180	
Sub-Total			250,637	
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2022-2023	2021-2022	
Compensation of employees		569,661	1,704,067	
Use of goods & services		3,861,905	172,375	
Emergency		3,836,190		
Sports		3,176,655	6,607	
Amounts due to other Government entities				
Mwanyundo Primary School		1,800,000		
Rorogi Primary School		1,800,000		
Chirima Cha Uha Primary		1,800,000		
Mafundani Primary School		1,800,000		
Nyango Primary School		1,800,000		
Mwangoni Primary School		2,800,000		
Maendeleo Primary School		2,800,000		
Kilibasi Primary School		1,800,000		
Kinagoni Primary School		1,800,000		
Sega Primary School		1,800,000		
Mwangoloto Primary School		1,800,000		
Chidzipwa Primary School		2,800,000		
Mlola Primary School		1,800,000		
Maiyini Primary School		1,800,000		
Dzimanya Primary School		2,800,000		
Dzoya Hewa Primary School		1,800,000		

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Gangani Primary School		2,800,000		
Mbilini Primary School		2,800,000		
Kajiwani Central Primary School		1,800,000		
Bumburi Primary School		1,800,000		
Kibandaongo Secondary School		2,800,001		
Desks		-	2,809	
Dalu Tayari Girls Secondary School		-	11,000,000	
Mtaa Secondary School			96,013	
Sub-Total		44,800,001	11,098,822	
Amounts due to other grants and other transfers				
Chidzipwa Primary School		264,000		
Dzimanya Primary School		264,000		
Gangani Primary School		264,000		
Mbilini Primary School		264,000		
Maendeleo Primary School		264,000		
Mwakijembe Secondary School		-	2,000	
Mgalani Primary School		-	208	
Secondary Schools		-	3,441.27	
Social Security		-	432,000.00	
3.5 Unutilised			97,208	
Sub-Total		1,320,000	541,464	
Acquisition of assets		0	24,590	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Oversight Committee Expenses (itemize)				
COC members allowances		100,000		
Other COC expenses		217,298		
Sub-Total		317,298		
Funds pending approval		17,066,677	1,066,677	
Grand Total		74,948,386	14,607,995	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End 2022/2023
Land	11,200,931	-	-	11,200,931
Buildings and structures	470,026	-	-	470,026
Transport equipment	1,082,623			1,082,623
Office equipment, furniture and fittings	27,700,394			27,700,394
ICT Equipment, Software and Other ICT Assets	10,962,916	-	-	10,962,916
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	51,416,890			51,416,890

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Annex 5 –PMC Bank Balances As At 30th June 2023

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/23	2021/22
Mwanyundo Primary School	KWALE	1315354144	997,950	-
Rorogi Primary School	KWALE	1315368366	1,261,950	-
Chirima Cha Uha Primary	KWALE	1316242188	1,261,950	-
Nyango Primary School	MARIAKANI	1315169436	1,261,950	-
Kilibasi Primary School	KWALE	1316133583	1,261,950	-
Kinagoni Primary School	MARIAKANI	1315332604	997,950	-
Mwangoloto Primary School	MARIAKANI	1315182327	1,261,950	-
Mlola Primary School	MARIAKANI	1314771531	997,950	-
Maiyini Primary School	MARIAKANI	1309935483	1,261,950	-
Dzoya Hewa Primary School	KWALE	1315309882	1,272,605	-
JULANI SECONDARY	MARIAKANI	1315986698	2,797,950	-
SALIM MVURYA SECONDARY	MARIAKANI	1291149325	2,797,950	-
MWABILA SECONDARY	MARIAKANI	1315414791	2,797,950	-
MAZERAS BOYS HIGH	MARIAKANI	1315982269	5,998,790	-
BUMBURI PRIMARY	MARIAKANI	1314832638	997,950	-
KAJIWENI CENTRAL PRIMARY SCHOOL	MARIAKANI	1315170752	997,950	-
MAFUNDANI PRIMARY	KWALE	1315467720	997,950	-
SEGA PRIMARY	MARIAKANI	1315266032	997,950	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
Kibandaogo Police Post	KCB – Kwale	130303214	4,225	-
Chengoni Chief's Office	KCB –Mariakani	1156881722	-	825
Kaphingo Primary School	KCB –Mariakani	1206236817	-	1645
Kilibasi Unit for Mentally	KCB - Kwale	1178409996	-	16,275
Malungoni Primary School	KCB - Kwale	1205111565	-	CLOSED
Chidzaya Primary School	KCB - Kwale	1205178872	-	619
Muongano Primary School	KCB-Mwembe Tayari	1205179216	-	483
Mtulu Primary School	KCB –Mariakani	1157473830	-	632
Mbita Primary School	KCB-Ukunda	1156786436	-	671
Ziaradundo Primary School	KCB - Kwale	1204342588	-	CLOSED
Karyaka Primary School	KCB - Kwale	1164763722	-	CLOSED
Mbandi Primary School	KCB - Kwale	1151739189	-	101,306
Dzimanya Primary School	KCB - Kwale	1178415619	-	3,708
Gwadu Primary School	KCB - Kwale	1203953668	-	CLOSED
Nyari Primary School	KCB –Mariakani	1205634789	-	569
Maji ya Chumvi Primary School	KCB –Mariakani	1205630899	-	CLOSED
Dumbule Primary School	KCB - Kwale	1206849495	-	919
Gandini South Primary School	KCB - Kwale	1206013664	-	2,819
Wamasa Primary School	KCB - Kwale	1206573643	-	270
Kinango School for the Deaf	KCB - Kwale	1137131519	-	758

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PMC	Bank	Account number	Bank Balance	Bank Balance
Nyango Primary School	KCB - Kwale	1159081441	-	5,657
Kilibasi Primary School	KCB -Mariakani	1210455528	-	555
Moyeni Secondary School	KCB - Kwale	1124985220	-	16,468
Bofu Secondary School	KCB - Mvita	1128005107	-	1,947
Mwalukombe Girls Sec School	KCB - Kwale	1135345880	-	543
Makamini Secondary School	KCB - Kwale	1132977479	-	1,441
Mwarovesa Secondary School	KCB - Kwale	1120495644	-	CLOSED
Tsunza Secondary School	KCB-Mwembe Tayari	1154843262	-	10,091
Mwavumbo Secondary School	KCB -Mariakani	1125113677	-	9,110
Kinagoni Secondary School	KCB-Mwembe Tayari	3335235931	-	NOT KCB ACCOUNT
Nzovuni Secondary School	KCB - Kwale	1129646009	-	CLOSED
Mtaa Secondary School	KCB - Mvita	1129066215	-	5,495
Mwabila Secondary School	KCB -Mariakani	1120799996	-	6,673
Matumbi Secondary School	KCB -Mariakani	11077898234	-	801,620
Mazeras High School	KCB -Mariakani	1126413976	-	11,934
Mwakijembe Secondary School	KCB - Kwale	1126323403	-	6,200
Bang'a Secondary School	KCB - Kwale	1149843888	-	4,017
Mnyenzeni Secondary School	KCB -Mariakani	1126261327	-	CLOSED
Mackinnon Road Sec School	KCB -Mariakani	1107818370	-	192,962
Kinango Secondary School	KCB - Kwale	1125632984	-	191,182

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PMC	Bank	Account number	Bank Balance	Bank Balance
Salim Mvurya Secondary School	KCB –Mariakani	1150968303	-	4,999,999
Bofu AP Post	KCB –Mariakani	1178228177	-	159
Mavirivirini Police Station	KCB –Mariakani	11061325643	-	1,606
St. Joseph Primary School	KCB - Kwale	1258614030	-	26,115
Mafufuni Primary School	KCB –Mariakani	1258898314	-	720
Mlola Primary School	KCB –Mariakani	1258614030	-	26,115
Majengo Primary School	KCB - Kwale	1154913643	-	1,006
Kinango Primary School	KCB - Kwale	1259725243	-	7,124
Mazola Primary School	KCB - Kwale	1274101018	-	21,938
Chizini Primary School	KCB - Kwale	1178485587	-	0
Ng'onzini Primary School	KCB - Kwale	1278073922	-	137,950
Dzivani Primary School	KCB - Kwale	1274588960	-	30,840
Kafuduni Primary School	KCB –Mariakani	1274661943	-	959
Mgandini Primary School	KCB –Mariakani	1273892437	-	1,610
Mbwaleni Primary School	KCB –Mariakani	1274696380	-	18,358
Mbita Primary School	KCB – Kwale	1277891494	-	2,655
Mwangea Primary School	KCB –Mariakani	1276015461	-	18,293
Kituoni Primary School	KCB –Mariakani	1273713389	-	18,294
Taru Primary School	KCB –Mariakani	1257097717	-	13,274
Busho Primary School	KCB - Kwale	1274768446	-	1,365

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PMC	Bank	Account number	Bank Balance	Bank Balance
Mnyenzi Primary School	KCB –Mariakani	1274973287	-	2,312
Taru girls secondary school	KCB –Mariakani	1274668336	-	16,116
Makamini Chiefs Office	KCB – Kwale	1260552454	-	237
Gandini Chiefs Office	KCB – Kwale	1268344125	-	17,171
Vinyunduni Primary School	KCB –Mariakani	1268426555	-	2,137
Mabanda Primary School	KCB – Kwale	1268212180	-	625
Nzovuni Primary School	KCB – Kwale	1257961624	-	2,132
Ndavaya Primary School	KCB – Kwale	1267412933	-	1,099
Tsunza Secondary School	KCB - Mvita	1154843262	-	10,091
Vitsakaviri Primary School	KCB –Mariakani	1178414191	-	1,485
Fuleye Primary School	KCB –Mariakani	1261563352	-	77
Lutsangani Primary School	KCB – Kwale	1258447142	-	17,556
Mnyenzi Primary	KCB – Kwale	1274973287	-	2,312
Mwangea Primary	KCB – Kwale	1276015461	-	18,293
Ng'onzini Primary	KCB – Kwale	1278073922	-	137,950
Kituu Primary	KCB – Kwale	1273713389	-	29,529
Mwalukombe Primary	KCB – Kwale	1276870957	-	7,615
Matumbi Primary	KCB – Kwale	1285992121	-	688
Boyani Primary	KCB – Kwale	1286826349	-	15,130
Mtaa Primary	KCB – Kwale	1285154762	-	1,628

PMC	Bank	Account number	Bank Balance	Bank Balance
Bonje Primary	KCB – Kwale	1284948137	-	1,262
Chengoni Primary	KCB – Kwale	1286349397	-	16,093
Makamini Secondary School	KCB – Kwale	1132977479	-	1,441
Taru Girls	KCB – Kwale	1274668336	-	16,116
Mwavumbo Secondary	KCB – Kwale	1125113677	-	9,110
Dalu Tayari Girls Secondary School	KCB – Kwale	1292871113	-	6,507,807
Kibandaogo Police Post	KCB – Kwale	130303214	-	-
Total			30,226,819	13,565,488

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)
BASIS FOR QUALIFIED OPINION				
	Unsupported statutory Deductions	<i>The management has noted the issue and shall deduct and remit the same to the relevant authority</i>	Resolved	
	Budgetary control performance	<i>The underfunding and under performance is as a result of delayed disbursement of funds from the board</i>	Resolved	
	<i>Unresolved prior year matter.</i>	<i>The management has disclosed the prior year audit issues under the progress on follow up of auditor's recommendations section of the financial</i>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		statements as required.		

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Name: Flora Mutua
Fund Account Manager

