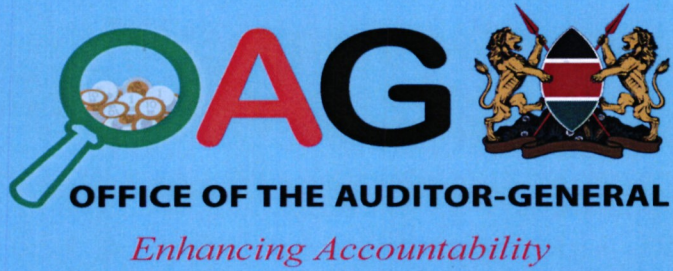


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY

DATE: 08 AUG 2023

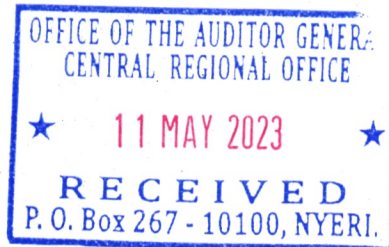
TUESDAY

Hon Owen Baya, MP
Deputy Leader Majority party
Anne Shuburo

ON

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

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



NDIA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

NDIA Constituency

National Government Constituencies Development Fund (NGCDF)

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

- d) 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 Ndia Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Timothy Njichi
2.	Sub-County Accountant	Joyce Kinyua
3.	Chairman NGCDFC	Beatrice Mwangi
4.	Member NGCDFC	N/A

(d) Fiduciary Oversight Arrangements

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

P.O. Box 70
NGCDF Ndia Constituency Office Building/House/Plaza
Baricho/Kerugoya Avenue/Road/Highway
Baricho, KENYA

(f) Ndia Constituency NGCDF Contacts

Telephone: (254) 703362365
E-mail: tnjichi@ngcdf.go.ke
Website: ndiacdf.Org

(g) Ndia Constituency NGCDF Bankers

Equity Bank Ltd
A/C NO.0420294874971
Kagio Branch
P.o Box 70-10302
Kagio, Kenya

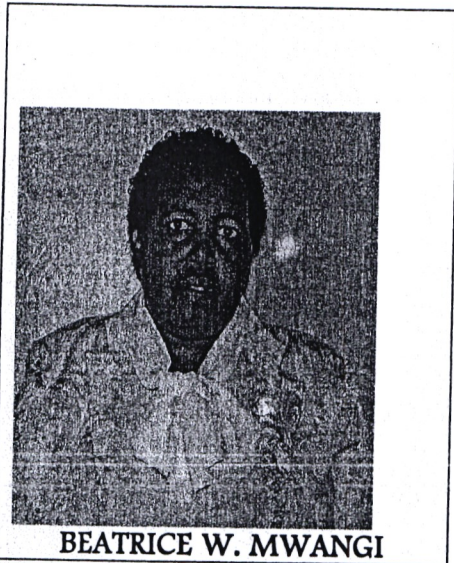
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

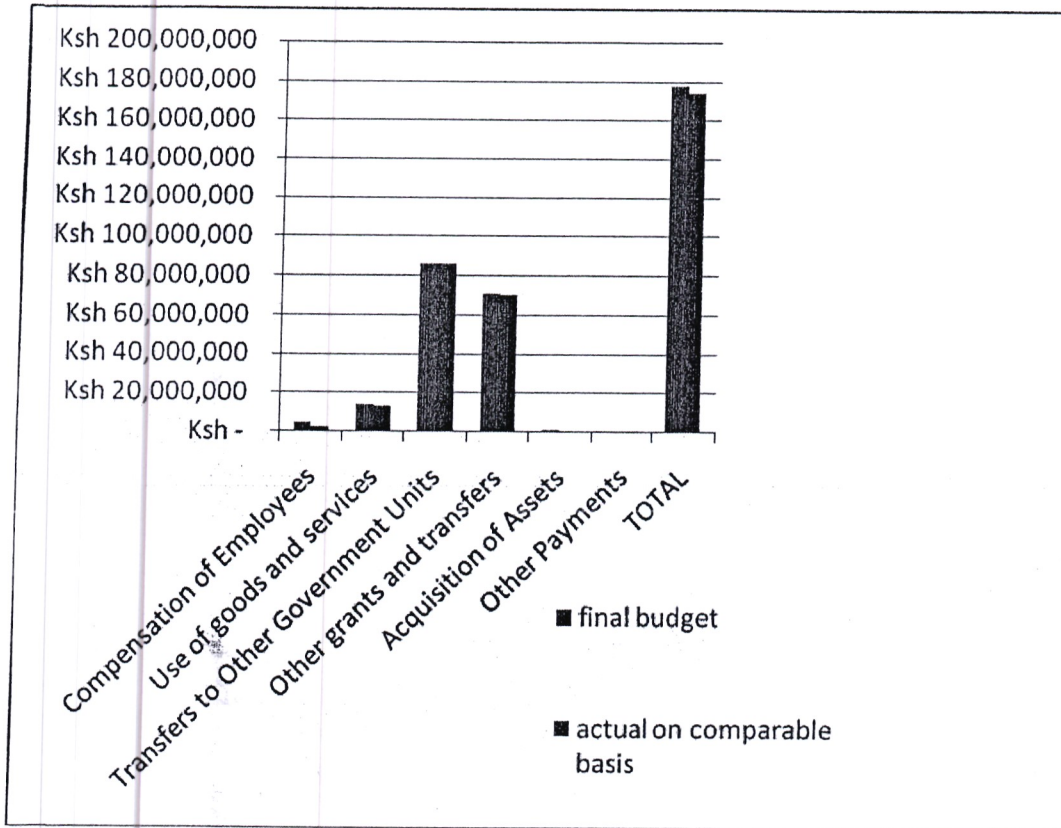
II NG-CDFC Chairman's Report



On behalf of the Constituents and the NG-CDF Ndia Office, it's my utmost honour and privilege to present the financial report for the year ended 30th June 2022.

During the financial year 2021/2022 the management had a total budget of ksh 177,642,588 which included ksh 137,088,879 being allocation for that year and the balance brought forward from the previous year amounting to ksh40,553,709. However, the management received the whole amount of funding from the NG CDF Board i.e Allocation for the financial year 2021/2022 plus the balance for the Financial year 2020/2021. The management spent ksh174,215,698 on projects and other administrative costs which translate to 98% of the total budget.

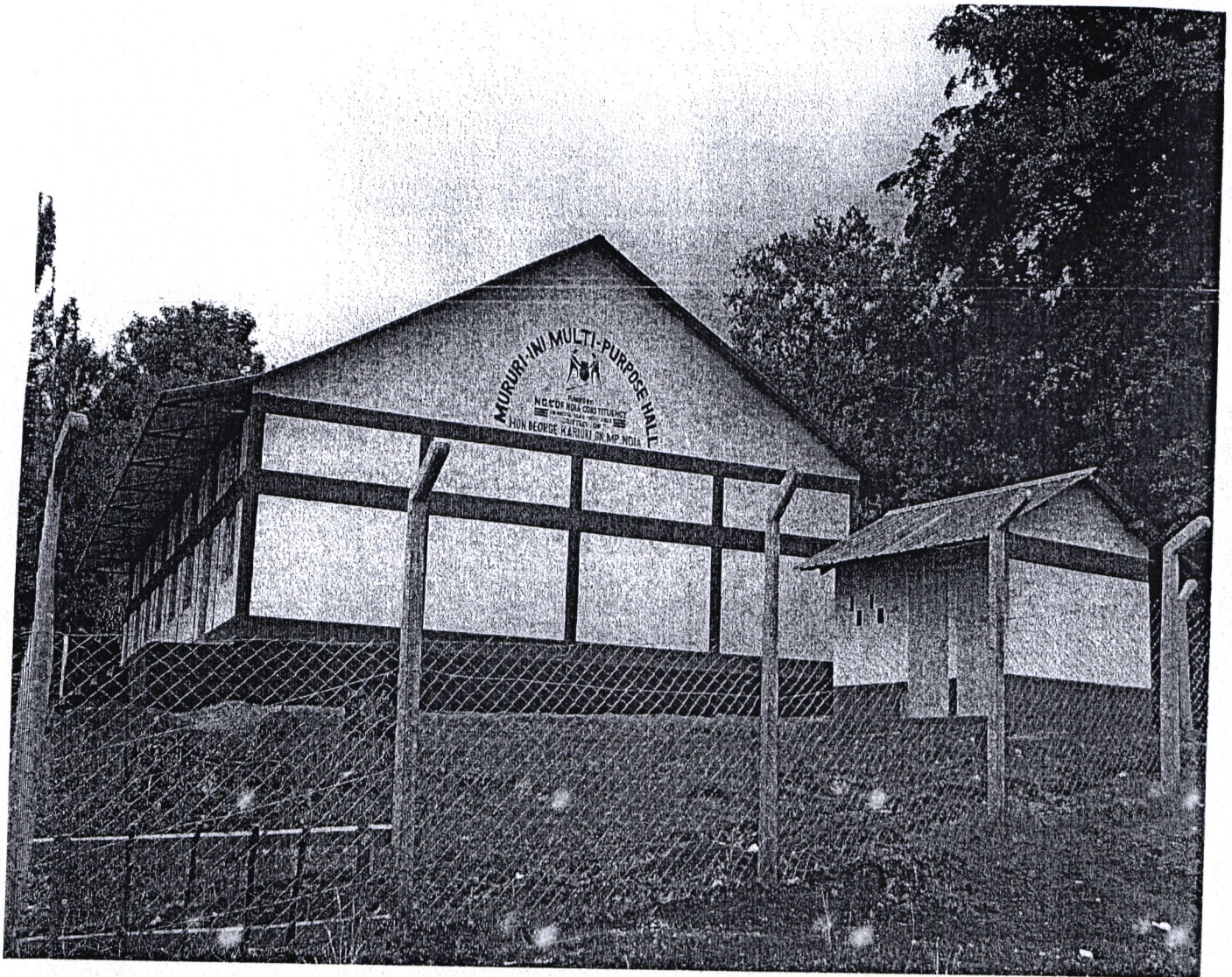
IG CDF NDIA graph for final budget compared to actual utilization for financial year 2021/2022



During this financial year 2021/2022, the NG CDF Ndia managed to complete and implement a good number of projects from financial year 2021/2022 and a some from financial year 2020/2021 whose funds were delayed. This was made possible by good co-operation between the NG CDF Committee, the PMCs and other stakeholders. The projects mainly included Education projects, Security projects among others.

MURURI-INI ASSISTANT CHIEF COMMUNITY HALL

This is one of these security project whose activities were: construction of a 400 capacity social hall ksh5,500,000, construction of 3 door pit latrine with 1 door for Persons living with disability toilet block and a urinal ksh 550,000 , fencing of 0.05 hectare compound with concrete posts and wire mesh to completion. This fund was for financial year 2020/2021 but was utilized in the year 2021/2022



NGOKA ASSISTANT CHIEF OFFICE

This is a security project. the activities done were Construction of a two roomed office to completion Kshs 2,500,000 construction to completion of a 2 door pit latrine block with 1 unit for persons living with disability and urinal Kshs 700,000 fencing of 0.05 hectares of the office compound with concrete posts ,chain link and barbed wire Kshs 1,000,000, Sinking of borehole, installation of a 16,000litres/hour pump and a 10,000 litres water tank Kshs2,700,000 and solarisation of borehole by 40 dayliff 265w polycrystalline modules solar controls and control panel, solar support structure and installation accessories and sundries kshs 1,500,000.The fund was for financial year 2021/2022



KARAGANA MIXED SECONDARY SCHOOL

This is an Education project whose activities were construction of storied 2 classrooms to 1st floor roof slabs and construction of 2 door pit latrine block with urinal and 1 unit for persons living with disability for financial year 2021/2022



Despite these achievements, the management experienced a number of challenges among them high number of requests by some of the Institutions within the constituency especially boarding secondary schools where many required immediate intervention in terms of dining halls and classrooms construction to accommodate high number of students enrolling following the 100% transition from primary to Secondary schools as per the Government policy . There were also a good number of very old primary schools that were in need of renovations.

Beatrice Mwangi
MAY 2023

**Name: Beatrice Mwangi
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 *Ndia Constituency 2018-2022* plan are to:

Objectives of Ndia constituency as per the Strategic Plan

- a) Promotion of Education, Learning and Training
- b) Enhance administration and security
- c) Promotion of Sports and creative talent
- d) Protection of the environment
- e) Prudent use of public resources

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 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	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 21/22 -we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	Enhance administration and security	To enhance security	Construct more police posts and housing units and installation of street security lights, water connectivity	During the F/y 2021/22 we constructed offices, renovated offices, installed electricity, fenced and constructed toilets
Environment	Protection of the Environment	To ensure environmental sustainability	Green the environmental premises of schools with live fences River regeneration Construct, improved sanitation facilities	Constructed a toilet at Kiangai primary school
Sports	Promotion of sports and creative talent	To mentor youth through sports	Procure set of uniforms and sporting kits	
Emergency				Constructed toilets after the existing one sunk due to heavy rain

IV. Environmental and Sustainability Reporting

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

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

Nda 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-

Ndia 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.

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



The stamp is circular with the text 'NG-CDF NDIA' around the top edge and 'P.O. BOX 10000' around the bottom edge. In the center, there is a handwritten signature in black ink and a red date stamp that reads '05 MAY 2022'.

Name: Timothy Njichi

FAM NG NDIA CDF

▼. 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 by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Ndia 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 they 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-Ndia 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 in charge of the NGCDF- Ndia 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.

NDIA 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 Ndia 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-NDIA Constituency financial statements were approved and signed by the Accounting Officer on 09 MAY 2022.



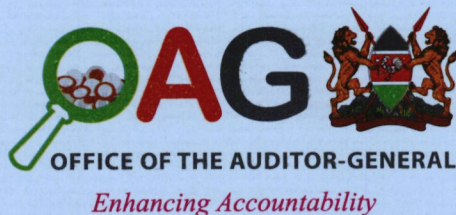
.....
Name: BEATRICE MWANGI
Chairman – NGCDF Committee



.....
Name: TIMOTHY NJICHI
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 - NDIA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund- Ndia Constituency set out on pages 1 to 38, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary statement of

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

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Ndia 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 the National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, a number of paragraphs were raised under the Report on Financial Statements. However, Management has not provided reasons for the delay in resolving the prior year audit issues.

In the circumstances, the issues remain unresolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Unutilised Muragara Police Post

The statement of receipts and payments reflects an amount of Kshs.70,795,174 in respect of other grants and transfers which includes payments of Kshs.23,110,000 in respect of security projects as disclosed in Note 7 to the financial statements. The security projects expenditure includes amounts of Kshs.2,200,000 and Kshs.700,000 (all adding up to Kshs.2,900,000) which were disbursed to Muragara Police Post on 5 August, 2021 and 30 May, 2022 respectively. These payments were in respect of the construction of 2 roomed staff houses at Kshs.1,200,000, 3 doors and a toilet block at Kshs.600,000, fencing of 0.05 hectares plot with concrete posts, chain link, barbed wire at Kshs.400,000 and purchase of 0.05hectares of land at Kshs.700,000. However, the certificate of practical completion of the project was issued on 9 December, 2021.

Further, the project implementation status (PIS) report revealed that amounts of Kshs.600,000 and Kshs.476,297 had in the financial 2015/2016 and 2019/2020 been disbursed to same Muragara Police Post to purchase a ¼ acre of land and renovate a 4 roomed house by plastering, painting, rain water goods, metal doors and windows and to repair the floor respectively. The two project activities were completed on 19 August, 2016 and 24 January, 2021 respectively. However, except for a sale of land agreement of 0.05Ha dated 9 February, 2022, there were no title deeds provided for the purchase the two (2) parcels of land. The size of land was observed to be approximately 0.05 Ha and the existence of the ¼ acre land could not be confirmed.

In addition, project verification in the month of March, 2023, sixteen (16) months after completion of the project revealed that the project was completed but not put to use, neglected and being vandalized.

In the circumstances, the public may not have received value for money for the Kshs.2,900,000 and Kshs.1,076,297 disbursed during the year and earlier years respectively.

2.0 Unutilized Upper Sagana Primary School

The statement of receipts and payments reflects an amount of Kshs.86,042,206 in respect of transfers to other government units as disclosed in Note 6 to the financial statements. The amount includes Kshs.40,192,206 in respect of transfers to primary schools, out of which Kshs.3,300,000 was disbursed to Upper Sagana Primary School for the supply of 60 ICT executive chairs at a price of Kshs.300,000 each and laying of cabro blocks in the ICT compound measuring 1,000 square metres at at a cost of Kshs.3,000,000. The project was completed on 23 August, 2022. However, physical verification carried out in the month of March, 2023 revealed that the project was completed and bushes had grown around the compound including the cabro area since it had not been put to use. This results to wastage of public resources contrary to Regulation 43(d) of Public Finance Management (National Government) Regulations, 2015 which states that an Accounting Officer shall manage control and ensure that policies are carried out efficiently and wastage of public funds is eliminated.

In the circumstances, the public may not have received value for money for the Kshs.3,300,000 disbursed the year.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


13 June, 2023

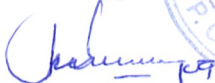
VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	171,277,758	172,267,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	2,200,368
Total Receipts			
		171,277,758	174,468,092
Payments			
Compensation Of Employees	4	3,165,910	3,629,704
Use Of Goods and Services	5	13,333,108	7,410,032
Transfers To Other Government Units	6	86,042,206	92,642,040
Other Grants and Transfers	7	70,795,174	70,351,901
Acquisition Of Assets	8	879,300	73,700
Other Payments	9	-	-
Total Payments		174,215,698	174,107,377
Surplus/(Deficit)		(2,937,940)	360,715

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 05 MAY 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Timothy Njichi

Name: Joyce Kinyua
ICPAK M/No: 18659


Name: Beatrice Mwangi

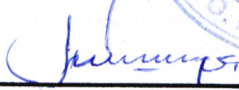
VII. Statement of Assets and Liabilities As At 30th June, 2022

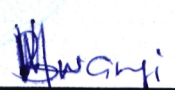
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	3,426,890	6,364,830
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		3,426,890	6,364,830
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		3,426,890	6,364,830
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		3,426,890	6,364,830
Net Financial Assets			
Represented By			
Fund Balance B/Fwd	13	6,364,830	6,004,115
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(2,937,940)	360,715
Net Financial Position		3,426,890	6,364,830

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 05 MAY 2023 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Timothy Njichi

Name: Joyce Kinyua
ICPAK M/No: 18659

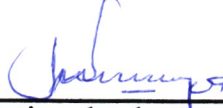
Name: Beatrice Mwangi

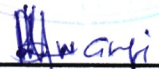
IX. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	171,277,758	172,267,724
Other Receipts	3	-	2,200,368
Total Receipts		171,277,758	174,468,092
Payments			
Compensation Of Employees	4	3,165,910	3,629,704
Use Of Goods and Services	5	13,333,108	7,410,032
Transfers To Other Government Units	6	86,042,206	92,642,040
Other Grants and Transfers	7	70,795,174	70,351,901
Other Payments	9	-	-
Total Payments		173,336,398	174,033,677
Total Receipts Less Total Payments			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(2,058,640)	434,415
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(879,300)	(73,700)
Net Cash Flows from Investing Activities		(879,300)	(73,700)
Net Increase In Cash And Cash Equivalent		(2,937,940)	360,715
Cash & Cash Equivalent At Start Of The Year	10	6,364,830	6,004,115
Cash & Cash Equivalent At End Of The Year		3,426,890	6,364,830

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 MAY 2023 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Timothy Njichi

Name: Joyce Kinyua
ICPAK M/No:18659

Name: Beatrice Mwangi

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

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

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c-%
	2021/2022		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
	2021/2022		Kshs	Kshs	2021/2022	30/06/2022		
Receipts								
Transfers From NGCDF Board		Kshs			Kshs	Kshs		
		137,088,879	6,364,830	34,188,879	177,642,588	177,642,588	0	
Proceeds From Sale of Assets		0	0	0	0	0	0	0%
Other Receipts		0	0	0	0	0	0	0%
Totals		137,088,879	6,364,840	34,188,879	177,642,588	177,642,588	0	100.0%
Payments								
Compensation Of Employees		2,547,052	402,088	1,639,028	4,588,168	3,165,910	1,422,258	69.0%
Use Of Goods and Services		5,959,000	3,325,294	5,247,644	14,531,938	13,333,108	1,198,830	91.8%
Transfers To Other Government Units		66,100,000	800,000	11,950,000	78,850,000	86,042,206	(7,192,206)	109.1%
Other Grants and Transfers		61,602,207	1,291,077	15,242,207	78,135,491	70,795,174	7,340,317	90.6%
Acquisition Of Assets		880,620	1,003	110,000	991,623	879,300	112,323	88.7%
Other Payments		0	545,368	0	545,368	0	545,368	0%
Funds Pending Approval**		0	0	0	0	0	0	0%
Totals		137,088,879	6,364,830	34,188,879	177,642,588	174,215,698	3,426,890	98.1%

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

Explanatory Notes.

- I. For compensation of Employees utilization was 69.0% which is below 90%. This is as a result of fund that have been allocated for payment of gratuity.
- II. For Transfer to other Government units utilization was 109.1% which is above 100% . This is as a result of reallocation of funds from sport and emergency
- III. For Acquisition of asset the utilization was 88.7% which is below 90%. This is a result of fund that was allocated for purchase of office generator which was intended to be topped up by A.I.A which was forwarded to NG CDF Board for approval but it has not been approved.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	3,426,890
Less undisbursed funds receivable from the Board as at 30 th June 2022	0
Add Accounts payable	3,426,890
Less Accounts Receivable	0
Add/ Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	3,426,890

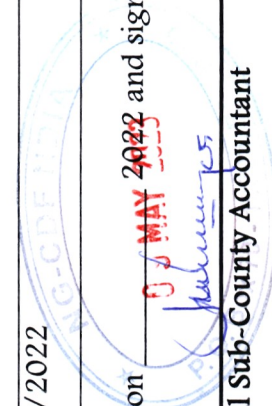
The Constituency financial statements were approved on 05 MAY 2022 and signed by:



Fund Account Manager

Name: Timothy Njichi

Name: Joyce Kinyua
ICPAK M/No:18659



National Sub-County Accountant

Chairman NG-CDF Committee

Name: Beatrice Mwangi

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

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,547,052	402,088	1,639,028	4,588,168	3,165,910	1,422,258
1.2 Committee allowances	1,503,266	810,081	1,391,819	3,705,166	3,698,000	7,166
1.3 Use of goods and services	1,400,000	261,694	1,108,924	2,770,618	2,377,158	393,460
2.0 Monitoring and evaluation						
2.1 Capacity building	1,552,232	626,386	1,995,808	4,174,426	3,953,450	220,976
2.2 Committee allowances	753,502	879,504	253,502	1,886,508	1,377,500	509,008
2.3 Use of goods and services	750,000	747,629	497,590	1,995,219	1,927,000	68,219
3.0 Emergency						
3.1 Primary Schools	4,250,000			4,250,000	4,250,000	-
3.2 Secondary schools	700,000			700,000	700,000	-
3.3 Tertiary institutions						-

**NDIA 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			
3.4 Security projects	2,100,000		-	2,100,000	2,100,000	-
3.5 Unutilised	142,207		-	142,207		142,207
4.0 Bursary and Social Security						
4.1 Secondary Schools	22,390,000	585,174		22,975,174	22,975,174	-
4.2 Tertiary Institutions	15,760,000			15,760,000	15,760,000	-
4.3 Social Security				-		-
4.4 Special Needs				-		-
5.0 Sports						
5.1	-	1,333		1,333		1,333
6.0 Environment						
Kiangai secondary school	1,900,000			1,900,000	1,900,000	-
Environment		4,569		4,569		4,569
7.0 Primary Schools Projects						
Upper Baricho primary school	4,000,000			4,000,000	4,000,000	-
Mukangu primary school	2,950,000			2,950,000	2,950,000	-
Kiangai primary school	5,300,000		800,000	6,100,000	6,100,000	-

**NDIA 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			
Githuaini primary school	2,900,000			2,900,000	2,900,000	-
Lower Baricho Primary school	3,400,000			3,400,000	3,400,000	-
Kibirigwi primary school	3,350,000			3,350,000	3,350,000	-
kidangangae primary school	-			-		-
Upper sagana primary school	3,300,000			3,300,000	3,300,000	-
Mukui primary school	3,600,000		-	3,600,000	3,600,000	-
Kinyakiiru primary school	4,200,000			4,200,000	4,200,000	-
Mathia primary school	500,000		1,100,000	1,600,000	1,600,000	-
Sagana Muslim Primary school	-		2,100,000	2,100,000	2,100,000	-
Lower Sagana primary school			1,346,103	1,346,103	1,346,103	-
kathaka primary school			1,346,103	1,346,103	1,346,103	-
8.0 Secondary Schools Projects						
Karimaini secondary school	6,500,000			6,500,000	6,500,000	-
Kiaragana mixed secondary sch	4,500,000			4,500,000	4,500,000	-
Kianjege west secondary school	4,000,000			4,000,000	4,000,000	-
Kairiini secondary school	1,600,000			1,600,000	1,600,000	-

**NDIA 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			
St Philips mixed sec school	7,500,000			7,500,000	7,500,000	-
Thumaita west secondary school	1,600,000	800,000		2,400,000	2,400,000	-
Sagana secondary school	1,600,000		750,000	2,350,000	2,350,000	-
Karima secondary school	2,200,000			2,200,000	2,200,000	-
Kinyakiiru secondary school	2,500,000			2,500,000	2,500,000	-
Upper Baricho secondary school	200,000			200,000	200,000	-
Kiine mixed secondary school	2,400,000			2,400,000	2,400,000	-
Kiangai secondary school	2,500,000			2,500,000	2,500,000	-
kathaka secondary school			2,500,000	2,500,000	2,500,000	-
Mukui secondary school			1,200,000	1,200,000	1,200,000	-
gacharu secondary school			3,500,000	3,500,000	3,500,000	-
9.0 Tertiary institutions Projects				-		-
						-
Total				-	-	-
10.0 Security Projects						-
Kibingoti Assistant chief office				-		-

**NDIA 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			
Baricho police station -DCI Office	1,000,000			1,000,000	1,000,000	-
Kirinyaga west dcc office	460,000			460,000	460,000	-
Mururiini Assistant chiefs office	-		6,650,000	6,650,000	6,650,000	-
Ngoka Assistant chief office	8,400,000			8,400,000	8,400,000	-
Muragara police post		700,000	2,200,000	2,900,000	2,900,000	-
Sagana ass chief office		1	3,700,000	3,700,001	3,700,000	1
11.0 Acquisition of assets				-		-
NG CDF OFFICE	880,620	1,003	110,000	991,623	879,300	112,323
12.0 Other payments	-		-	-	-	-
strategic plan		5,000				
13.0 unallocated fund						
Unapproved projects						
AIA				540,000		540,000

**NDIA 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			
		540,000				
FMC savings		368		368		368
	137,088,879	6,364,830	34,188,877	177,642,586	174,215,698	3,426,888

(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-Ndia 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.

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.

XI. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
AE NO. B 105247	34,188,879	
AE NO. B 105539	68,000,000	
AE NO. B 105983	10,000,000	
AE NO. B 128659	16,000,000	
AE NO. B 128971	26,000,000	
AE NO. B 154168	17,088,879	
AII NO. B 096995		15,000,000
AII NO. B 104661		28,000,000
AII NO. B 823704		26,367,724
AII NO. B 124638		9,000,000
AIENO. B 119608		12,000,000
AIENO. B 119998		15,000,000
AIENO. B 128239		6,900,000
AIENO. B 132001		8,000,000
AIENO. B 132295		6,000,000
AIENO. B 138964		15,000,000
AIENO. B 126256		6,000,000
AIENO. B 105051		10,000,000
AIENO. B 140694		15,000,000
TOTAL	171,277,758	172,267,724

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	368
Other Receipts Not Classified Elsewhere	0	2,200,000
Total	0	2,200,368

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,143,390	2,136,884
Personal allowances paid as part of salary		
House Allowance	312,000	312,000
Transport Allowance	531,000	336,000
Leavv allowance	24,000	24,000
Gratuity to contractual employees	-	741,472
Employer Contributions Compulsory national social security schemes	155,520	79,348
Total	3,165,910	3,629,704

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Bank service commission and charges	2,520	41,375
Utilities, supplies and services	80,000	30,000
Communication, supplies and services	52,200	465,000
Domestic travel and subsistence	979,950	295,750
Printing, advertising and information supplies & services	200,000	283,430
Rental of produced asset	100,000	0
Training expenses	1,904,500	1,879,000
Hospitality supplies and services	772,500	29,500
Other committee expenses	3,457,500	237,900
Committee allowance	3,555,000	2,562,000
Insurance costs	176,800	189,891
Specialized materials and services	0	56,800
Office and general supplies and services	592,000	313,070
Fuel, oil & lubricant	1,150,000	568,963
Routine maintenance – vehicles and other transport equipment	268,138	457,353
Routine maintenance – other assets	42,000	0
Total	13,333,108	7,410,032

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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)	40,192,206	59,177,026
Transfers To Secondary Schools (See Attached List)	45,850,000	32,369,256
Transfers To Tertiary Institutions (See Attached List)	-	1,095,758
Total	86,042,206	92,642,040

7. Other Grants and Other transfers

Description	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,975,174	40,359,856
Bursary – tertiary institutions (see attached list)	15,760,000	-
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	23,110,000	16,392,055
Sports projects (see attached list)	-	5,199,990
Environment projects (see attached list)	1,900,000	1,500,000
Emergency projects (see attached list)	7,050,000	6,900,000
Total	70,795,174	70,351,901

8. Acquisition Of Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	779,300	0
Purchase of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	100,000	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	73,700
Purchase of Specialized Plant, Equipment and Machinery	0	0

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Total	879,300	73,700
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Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	0	0
ICTHub	0	0
	0	0

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>Equity Bank, Account No.0420294874971 NG NDIA CDF</i>	3,426,890	6,364,830
Total	3,426,890	6,364,830
10 B: Cash on Hand		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>Specify</i>)	0	0
Total	0	0
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

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

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<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Total</i>		0	0	0

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

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

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	6,364,830	6,004,115
Cash in hand	0	0
Imprest	0	0
Total	6,364,830	6,004,115

This is the opening balance as at 1st July 2021, It consist of AIA of ksh 540,000 and ksh 5,824,430 is fund from N CDF Board that was not utilised as at closure of financial year 2020/2021.

14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	0	0	0
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
Others (<i>specify</i>)	0	0	0
Total	0	0	0

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022 KShs	2020-2021 KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	10,366,400	3,515,200
Imprest surrendered during the Year (C)	10,366,400	3,515,200
closing accounts in account receivables D= A+B-C	0	0
Changes in Account Receivables E= D-A	0	0

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022 KShs	2020 – 2021 KShs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account payables D= A+B-C	0	0
Changes in Accounts Payable E= D-E	0	0

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	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
Total	0	0

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	0	0
Others (<i>specify</i>)	0	0
Total	0	0

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	1,422,258	2,041,116
Use of goods and services	1,198,830	8,572,938
Amounts due to other Government entities (see attached list)	1	15,442,207
Amounts due to other grants and other transfers (see attached list)	148,110	13,841,077
Acquisition of assets	112,323	111,003
AIA & pmc a/c closure balance, strategic plan balance	545,368	545,368
Funds pending approval	0	0
Total	3,426,890	40,553,709

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PNC account balances (see attached list)	12,679,301	21,314,045
Total	12,679,301	21,314,045

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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.	N/A	N/A	N/A	N/A	N/A
2.	N/A	N/A	N/A	N/A	N/A
3.	N/A	N/A	N/A	N/A	N/A
Sub-Total	N/A	N/A	N/A	N/A	N/A
Construction of civil works					
4.	N/A	N/A	N/A	N/A	N/A
5.	N/A	N/A	N/A	N/A	N/A
6.	N/A	N/A	N/A	N/A	N/A
Sub-Total	N/A	N/A	N/A	N/A	N/A
Supply of goods					
7.	N/A	N/A	N/A	N/A	N/A
8.	N/A	N/A	N/A	N/A	N/A
9.	N/A	N/A	N/A	N/A	N/A
Sub-Total	N/A	N/A	N/A	N/A	N/A
Supply of services					
10.	N/A	N/A	N/A	N/A	N/A
Sub-Total	N/A	N/A	N/A	N/A	N/A
Grand Total	N/A	N/A	N/A	N/A	N/A

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		1,422,258	2,041,116	
Use of goods & services		1,198,830	8,572,938	
Amounts due to other Government entities				
Primary Schools		1	6,692,207	
Secondary Schools		0	8,750,000	
Tertiary institutions		0	0	
Sub-Total		2,621,089	26,056,261	
Amounts due to other grants and other transfers				
Bursary		0	585,174	
Sport		1,333	1,333	
Environment		4,569	4,569	
Security		1	13,250,001	
Emergency		142,207	0	
Sub-Total		2,769,199	39,897,338	
Acquisition of assets		112,323	111,003	
Others (<i>specify</i>)				
AIA		540,000	540,000	
Strategic plan balance		5,000	5,000	
PMC A/C Closed		368	368	
Sub-Total		3,426,890	40,553,709	
Funds pending approval		0	0	
Grand Total		3,426,890	40,553,709	

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Annex 4 – Summary of Fixed Asset Register

Land	0	0	0	0	0
Buildings and structures	5,994,872	779,300	0	0	6,774,172
Transport equipment	4,328,326	100,000	0	0	4,428,326
Office equipment, furniture and fittings	1,881,088	0	0	0	1,881,088
ICT Equipment, Software and Other ICT Assets	1,086,414	0	0	0	1,086,414
Other Machinery and Equipment	60,792	0	0	0	60,792
Heritage and cultural assets	0	0	0	0	0
Intangible assets	69,239	0	0	0	69,239
Total	13,420,731	879,300	0	0	14,300,031

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
BARICHO POLICE STATION	Equity	0420161541424	44,015	
GACHARU AP LINE	Equity	0420176775645		802,524
GACHARU PRIMARY SCHOOL	Equity	0420296963408	23,052	1,118,352
GACHARU SEC SCHOOL	Equity	0100190224542		
GACHARU SECONDARY SCHOOL	Equity	0100190224542	12,570	108,018
GAKINDU SECONDARY SCHOOL	Equity	0420299865874		30,278
GATHUTHIINI PRIMARY SCHOOL	Equity	0420190892785		1,706
GETUYA PRIMARY SCHOOL	Equity	0420161725557		252,410
GETUYA SEC SCHOOL	Equity	0420266794147		51,997
GITHUAINI PRIMARY SCHOOL	Equity	0420199920987	7,488	7,198
KABONGE PRIMARY SCHOOL	Equity	0420274064237	1,521	
KAHIRO PRIMARY SCHOOL	Equity	0420191359631		1,500,867
KAHUHOINI PRIMARY SCHOOL	Equity	0420166794938		26,895
KAIRIINI PRIMARY SCHOOL	Equity	0420196426205		205,267
KAIRIINI SECONDARY SCHOOL	Equity	0420265373488	7,680	238,039
KARIMA PRIMARY SCHOOL	Equity	0420276286785		13,061
KARIMA SECONDARY SCHOOL	Equity	0420266795705	143,642	2,526,017

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
	Equity	0420266785612		50,264
KARIMAINI PRIMARY SCHOOL				
	Equity	0100291743177	11,797	76,177
KATHAKA MIXED SECONDARY SCHOOL				
	Equity	0420274267239	59,286	128,463
KATHAKA PRIMARY SCHOOL				
	Equity	0420294485405		163,780
KIANDANGAE PRIMARY SCHOOL				
	Equity	0420177534824		1,200,980
KIANGAI ASSISTANT CHIEF OFFICE				
	Equity	0040197059718		60
KIANGAI POLICE POST				
	Equity	0420278146485	178,424	
KIANGAI PRIMARY SCHOOL				
	Equity	0420266785598	165	
KIANGAI SECONDARY SCHOOL				
	Equity	0420161697114	68,593	68,593
KIANGWACHI POLICE POST				
	Equity	0420295186292	4,620	139,245
KIANJEJE WEST SEC SCHOOL				
	Equity	0420171063001		102,357
KIANWE PRIMARY SCHOOL				
	Equity	0040194142480		399,235
KIBINGOTI ASSISTANT CHIEF				
	Equity	0420161548616		243
KIBINGOTI D.O OFFICE				
	Equity	0420180801708	105,681	94,088
KIBIRIGWI CHIEFS OFFICE				
	Equity	0420161715617	5,282	
KIBIRIGWI PRIMARY SCHOOL				
	Equity	0420266784068		124,245
KIBURU GIRLS SEC.SCHOOL				
	Equity	0420269843400		261,041
KIBURU PRIMARY SCHOOL				
	Equity	0420169920862	840	
KIINE MIXED DAY SECONDARY SCHOOL				

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
	Equity	0420291384590	301	473,663
KINYAKIRU PRIMARY SCHOOL	Equity	0420161541424		331,253
KIRINYAGA WEST POLICE DIVISION	Equity	0420282072877	272,000	
KIRINYAGA WEST-DCC OFFICE	Equity	0420276195822	10,589	209,614
LOWER BARICHO PRIMARY SCHOOL	Equity	0420177564804	1,900	252,078
LOWER SAGANA PRIMARY SCHOOL	Equity	0420276317491	4,535	1,104,535
MATHIA PRIMARY SCHOOL	Equity	0420277407365	150,028	
MUKANGU PRIMARY SCHOOL	Equity	0420266784449		168,343
MUKANGU SECONDARY SCHOOL	Equity	0420197501638	56,007	
MUKUJI PRIMARY SCHOOL	Equity	0040294937320	57,295	
MUKUJI SECONDARY SCHOOL	Equity	0420176803017		121,361
MUKURE ASSISTANTCHIEFS OFFICE	Equity	0100196895986	219,987	9,269
MURAGARA POLICE POST	Equity	0420277503635		401
MURURINI AP POST	Equity	0420281318618	100,265	
MURURINI ASSISTANT CHIEFS OFFICE	Equity	0420165364997		757
NDIRITI PRIMARY SCHOOL	Equity	0420178214072		23,092
NDIRITI VOCATIONAL TRAINING INST	Equity	0420182018967	1,976,363	
NGOKA ASSISTANT CHIEFS OFFICE	Equity	0420277340130		1,762
NGUGUJINI PRIMARY SCHOOL	Equity	0420178451535	3,566	722,716
SAGANA ASSISTANT CHIEF OFFICE	Equity			

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
	Equity	0420274129049	5,896	
SAGANA MUSLIM PRIMARY				
	Equity	0420281231330	74,250	
SAGANA SECONDARY SCHOOL				
	Equity	0420273869110	(110)	
ST JOHN SEC SCH-KINYAKIIRU				
	Equity	0100262002796	2,420,130	
ST JOHNS KARIMAINI GIRLS SEC SCHOOL				
	Equity	0420278756063	361,364	1,964
ST MARY KIARAGANA SEC SCHOOL				
	Equity	0420294755129	4,025,653	
ST PHILIPS MIXED SECONDARY SCHOOL				
	Equity	0420161489458		2,501,540
THANJU PRIMARY SCHOOL				
	Equity	0420191370332		54,800
THUMAITA WEST PRIMARY SCHOOL				
	Equity	0420294565079	113,617	1,881,917
THUMAITA WEST SECONDARY SCHOOL				
	Equity	0420291700841		3,743
THUNGURI PRIMARY SCHOOL				
	Equity	0420266787617	655	
UPPER BARICHO MIXED SEC SCHOOL				
	Equity	0420177452068	201,171	640,477
UPPER BARICHO PRIMARY SCHOOL				
	Equity	0420177452068		
UPPER BARICHO PRIMARY SCHOOL				
	Equity	0420276253574	1,949,184	3,119,363
UPPER SAGANA PRIMARY SCHOOL			12,679,301	21,314,045

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.

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
	<p>Unsatisfactory Implementation of Projects</p> <p>Note 7 to the financial statements reflects kshs 70,351,901 in respect of other grants and transfer which includes Kshs 2,500,000 utilized in the construction of a 500 sitting capacity dining hall at Gacharu Secondary School. However, a physical verification of the structure confirmed that the project was incomplete and had cracked walls. The window panes were not fixed and painting was not to the expected standard as it was falling off. Further no project file was provided for audit. In the circumstances, the propriety and value for money for the expenditure of public money amounting to Kshs 2,500,000 during the year under review could not be confirmed. The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I have that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.</p>	<p>The PMC had not surrendered their returns as at the time of audit. however the file has been availed and returns made and have been attached herein. project has been completed as evidenced in the photo. The project documents are attached. The area is prone to great soil erosion hence the foundation exposure that will be curbed by doing a retaining wall around the hall in the coming financial year 2022/23.</p>	<p>Not resolved</p>	
	<p>Unutilized Projects</p> <p>The Fund has put up various structures in various locations within the constituency.</p> <p>However, the audit verification conducted in the month of May 2022 revealed that the projects costing Kshs 4,200,000 are idle and rarely in use. This constitute to wastage of public resources contrary to Paragraph 43(d) of Public Finance</p>	<p>.Gacharu AP Post had failed to be occupied by police officers due to lack of water supply. The construction of the nearby kennel –marua highway by KENHA destroyed pipes connecting the post with water. the police officers are currently hosted by the neighbouring Ndia technical where they enjoy water</p>	<p>Not resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolve a / Not Resolve d)	Time frame (Put a date when you expect the issue to be resolved)										
	<p>Management(National Government Regulations) 2015 states that an Accounting Officer shall, manage control and ensure that policies are carried out efficiently and wastage of public funds is eliminated.</p> <table border="1" data-bbox="646 1120 869 1814"> <thead> <tr> <th>Project</th> <th>Amount(Kshs)</th> </tr> </thead> <tbody> <tr> <td>Fencing at ICT Centre</td> <td>1,300,000</td> </tr> <tr> <td>Kibingoti Modern Kitchen and Store</td> <td>1,400,000</td> </tr> <tr> <td>Upper Baricho Primary Social Hall Kitchen</td> <td>1,500,000</td> </tr> <tr> <td>Total</td> <td>4,200,000</td> </tr> </tbody> </table> <p>In the circumstances value for money for these projects could not be confirmed.</p>	Project	Amount(Kshs)	Fencing at ICT Centre	1,300,000	Kibingoti Modern Kitchen and Store	1,400,000	Upper Baricho Primary Social Hall Kitchen	1,500,000	Total	4,200,000	<p>supply from the school borehole .however the this issue has been resolved and the police have occupied the post already.</p> <p>2. The ict centre is not in use because facilities necessary for its use i.e internet and computers are yet to be provided by Telkom Kenya who are mandated to do so by the ministry of ICT. Attached is the ministry approval to install the necessary equipments. The ICT centre is fenced and the project paid as per the certificate of completion issued by public works ,photos and bank statement indicating the balance not paid for the installation are attached.</p> <p>3. Kibingoti kitchen and store are used once in a while or on need be basis when there are social gatherings ,NGCDF meetings, security meetings . the community use it when its necessary.</p> <p>4. Upper baricho primary kitchen is particularly used to cook porridge for lower primary pupils.its also used once in a while or on need be basis when there</p>		
Project	Amount(Kshs)													
Fencing at ICT Centre	1,300,000													
Kibingoti Modern Kitchen and Store	1,400,000													
Upper Baricho Primary Social Hall Kitchen	1,500,000													
Total	4,200,000													

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

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>Unsurrendered Balances in the Project Management Committees (PMC) Bank Balances</p> <p>Under other important disclosures, note 17.4 reflects Kshs 21,314,045 in respect of Project Management Committees bank balances. However, the funds were still held by the various PMCs contrary to section 7(2) of the National Government Constituency Development Fund Act 2015 which states that all funds to a constituency shall be cumulative and shall be carried forward from one financial year to the next, including funds returned into the accounts within Section 6(3) or funds which are not utilized for whatever reasons</p>	<p>are gatherings such as NGCDF meetings ,security meetings or any community meeting</p> <p>The audit finding has been noted. The pmc balances are as a result of retention fee not yet paid to contractors since the expected period has not yet expired, it is also as a result of fund that was transferred to pmc accounts awaiting the completion of contract so as to pay the contractors.</p>	Not resolved	
	<p>Failure to have Bursary Disbursement Policy</p> <p>Note 7 to the financial statements reflects Kshs 70,351,901 in respect of other grants and transfer which included Kshs 40,359,856 being bursaries amounting to various categories of beneficiaries. However, the Fund does not have a documented bursary policy guideline, procedures and processes to ensure efficient and effective management of the bursary fund contrary to CDF board circular no vol1/111 dated 13 September 2010. It is therefore not clear the minimum and maximum amount that can be awarded as bursary to a beneficiary. In addition, it was noted that there was no evidence of vetting of the bursary applicants and it is</p>	<p>The auditors findings have been noted and bursary vetting committee minutes attached with the policy indicating the amount to be awarded to different categories of students.</p>	Not resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
	not clear how the beneficiaries of the bursary were identified.			
	In the absence bursary policy, it is not possible to confirm the policies and procedures that guide the issuance of bursaries in the Constituency			



 09 MAY 2023

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 Name: Timothy Njichi
 Fund Account Manager.