

REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

THE NATIONAL ASSEMBLY

DATE: 02 AUG 2023

DAY  
WED

TABLED  
OF

Hon. Naomi Wago, MP  
Deputy Majority Whip  
Festus Muruki

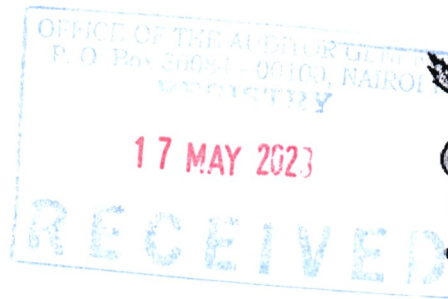
CLERK-AT  
THE TABLE:

**THE AUDITOR-GENERAL**

**ON**

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

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



---

**NYANDO CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2022**

---

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

## Table of Contents

	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	iii
II. NG-CDFC CHAIRMAN'S REPORT .....	vi
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES .....	x
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	xii
III. STATEMENT OF MANAGEMENT RESPONSIBILITIES .....	xv
I. Report Of the Independent Auditors On The NGCDF- Nyando Constituency .....	xvi
II. Statement Of Receipts and Payments for the Year Ended 30th June 2022.....	1
III. Statement of Assets and Liabilities As At 30 <sup>th</sup> June, 2022.....	2
IV. Statement of Cash Flows for the Year Ended 30th June 2022 .....	3
V. Summary Statement of Appropriation for the Year Ended 30 <sup>th</sup> June 2022.....	4
X. Budget Execution by Sectors and Projects for the Year Ended 30 <sup>th</sup> June 2022.....	6
XI. Significant Accounting Policies .....	13
XII. Notes to the Financial Statements .....	19

**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

1. **Patriotism** – we uphold the national pride of all Kenyans through our work

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

The Nyando Constituency NG-CDF 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 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Alfred Chisaina
2.	Sub-County Accountant	Cynthia Leting
3.	Chairman NG-CDFC	Joseph Odada
4.	Member NG-CDFC	Kenneth Ogallo

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Nyando Constituency NG-CDF. 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) Nyando Constituency NG-CDF Headquarters**

P.O. Box 85-40101  
Nyando NG-CDF office  
Off Kisumu-Nairobi Road  
Ahero, KENYA

**(f) Nyando Constituency NG-CDF Contacts**

Telephone: (254) 721586575  
E-mail: [cdfnnyando@ngcdf.go.ke](mailto:cdfnnyando@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) Nyando Constituency NG-CDF Bankers**

Cooperative Bank  
Kisumu  
P.O. Box  
Kisumu

**(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



**Joseph Rocky Odada**

**Chairman Nyando NG-CDFC**

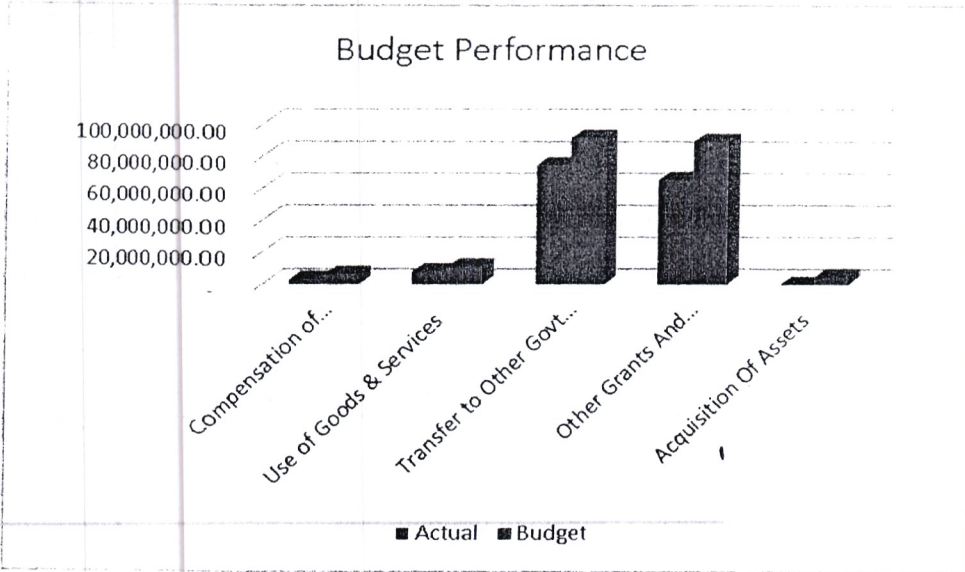
The NG-CDFC wishes to have in summary the budget performance against actual amounts for the current financial year based on economic classification and programmes. The NG-CDFC have improved in their budget performance despite the challenges encountered during in the year being an election year. The performance in all the sectors i.e. Education, Security, Bursary and other projects implemented as per the Act achieved a desirable percentage in terms of utilization.

During the financial year under review, the Nyando NG-CDFC received a total of Kshs 170,088,879 from the NG-CDF Board. Of the total allocation of 137,088,879.31, Kshs. 33,000,000 formed part of the previous financial years' balances formerly owed from the NG-CDF Board.

However, the NG-CDFC managed to implement a number of key projects as per the proposal including disbursement of Bursary funds to needy students in various institutions, construction of chiefs' offices and also construction of classrooms in various institutions. By closure of the financial year, the NG-CDFC had received the entire allocation for the under review.

The Nyando NG-CDFC's disbursement of funds was purely guided by the budget proposal and the approved codelists attached to AIEs as sent to us from time to time. The entire proposal for the Nyando NG-CDFC could be broadly classified as follows;

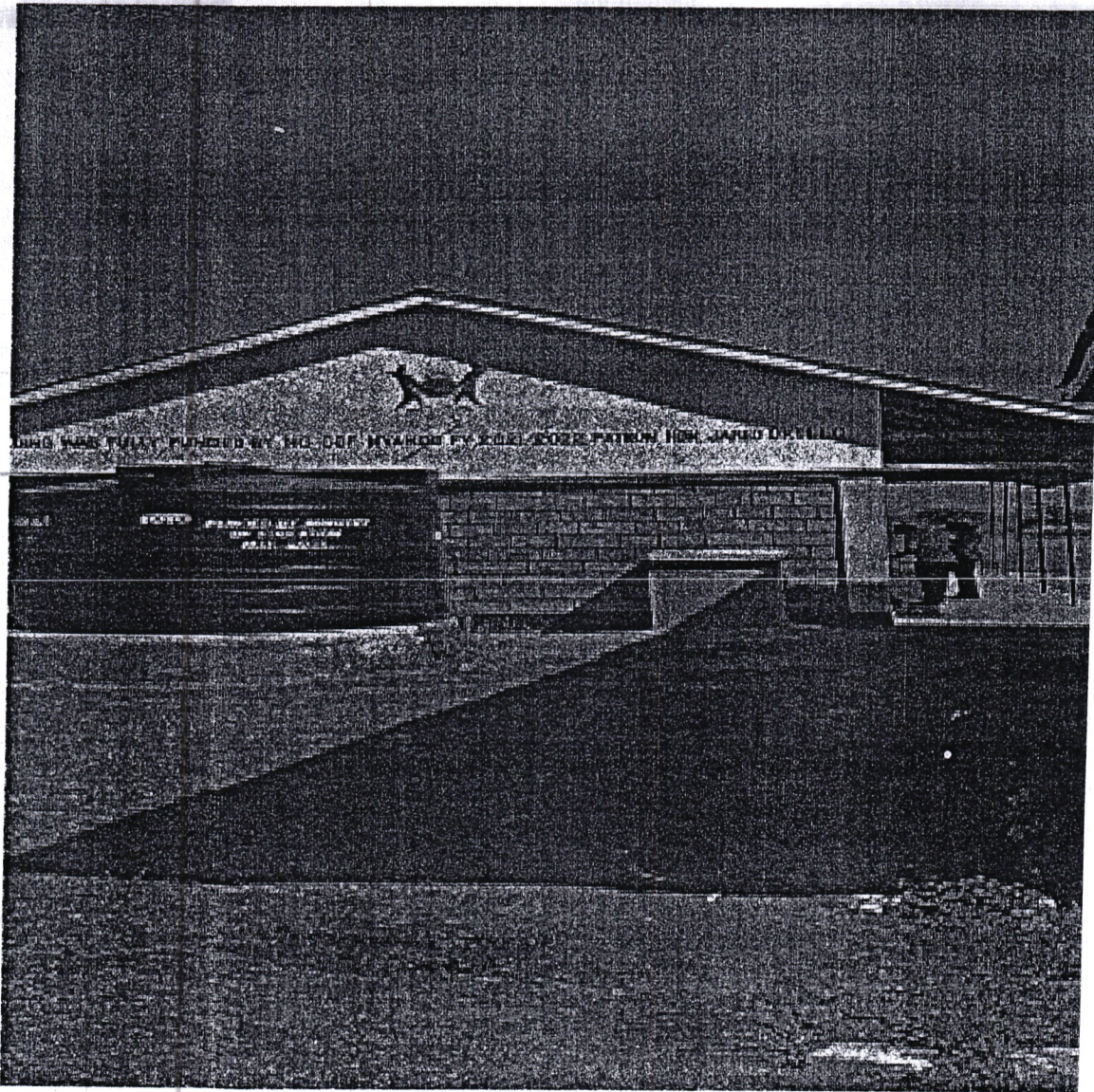
1. Compensation of Employees
2. Use of goods and services
3. Transfers to Other Government Units
4. Other grants and transfers
5. Acquisition of Assets
6. Other Payments



Below is a list of sampled projects funded during the financial year 2021/2022.



Nyalenda Girls Secondary School Dormitory



Wanganga Secondary School Single Science Laboratory

However, there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals and reallocations.

Finally, the Nyando NG-CDF Committee wish to thank the NG CDF Board and all other stakeholders who have made it easy for them to be able to deliver services to the constituents of Nyando within the precincts of the NG-CDF Act, 2015.

.....  
CHAIRMAN NGCDF COMMITTEE

### III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

#### Introduction

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

The key development objectives of Nyando Constituency 2018-2023 plan are to:  
In underscoring the above, the key development objectives of NGCDFC-Nyando Constituency's 2018-2023 plan included but not limited to;

#### Strategic Area One: Education

**Objective:** Become a national model for education by improving schools' infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

**Initiative:** Develop and enhance schools' infrastructure to enhance facilities and provide conducive learning environment for children.

**Initiative:** Enhance and develop social programmes that support education within the constituency.

#### Strategic Area Two: Water and Environment

**Objective:** Improve access to clean water and a more sustainable and conserved environment in Nyando through natural resources conservation initiatives

**Initiative:** Initiate and enhance conservation programs within the constituency

**Initiative:** Water and Sanitation: To ensure water sustainability in the Constituency

#### Strategic Area Three: Security

**Objective:** Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

**Initiative:** Improving infrastructure and service delivery

#### Strategic Area Four: Sports

**Objective:** Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

**Initiative:** Develop and empower youth and special groups through sports.

#### Strategic Area Five: Information Communication and Technology (ICT)

**Objective:** Enhance access to information and technology by Nyando residents and use ICT to enhance service delivery and spurring development.

**Initiative:** Enhancement of infrastructure and accessibility of ICT resources in the constituency.

## 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	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions  Number of bursary beneficiaries at all levels	Number of classrooms increased 10  Number of laboratories increased from 10 to 14  Number of dormitories increased from 5 to 7
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Drill boreholes to promote access to clean and safe water  Equip schools and public facilities with sanitation facilities  Provide tree seedlings to schools to improve the forest cover	Number of boreholes drilled  Number of sanitation facilities built in primary and secondary  Number of trees planted	Number of sanitation facilities increased from 34 to 40  Number of trees planted in schools increased from 0 to 20
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of chiefs' offices constructed 5
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme 64
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery	Equip chiefs' offices with computers and internet connectivity to enable them improve service delivery	Number of usable chiefs' offices with computers and internet connectivity	Number of ICT centres 1

#### IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

##### 2. Environmental Performance

- NG-CDF supported planting of trees in 10 primary schools and for sustainability purposes the pupils were sensitized on how to adopt and nurture a tree
- NG-CDF supported two schools in rain water harvesting and conversation to help alleviate perennial water shortage in the respective schools
- NG-CDF sponsored sporting activities/ tournament during the financial year through purchase of sports uniforms and equipment to 12 teams with the aim of bringing communities and sensitizing them on environmental conservation matters.

### **3. Employee Welfare**

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

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

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

NGCDF has put in efforts to ensure:

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

### **5. Community Engagements-**

Nyando 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**

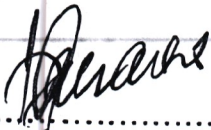
The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate 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.

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



.....  
Alfred Chisaina

Fund Accounts Manager

### III. 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.

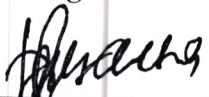
The Accounting Officer in charge of the NGCDF-Nyando Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022.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


The Accounting Officer in charge of the NG-CDF-Nyando Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF-Nyando 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 NG-CDF Nyando 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 Nyando Constituency financial statements were approved and signed by the Accounting Officer on 12/7 2023

  
Chairman NGCDF Committee  
Name: Joseph Odada

  
Fund Account Manager  
Name: Alfred Chisaina

# REPUBLIC OF KENYA



*Enhancing Accountability*

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 - NYANDO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022**

---

### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyando Constituency set out on pages 1 to 35, which

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Nyando 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 National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

## **Basis for Qualified Opinion**

### **1. Other Grants and Transfers**

The statement of receipts and payments reflects other grants and transfers balance of Kshs.65,761,161 as disclosed in Note 7 to the financial statements. However, audit of this expenditure revealed the following unsatisfactory matters:

#### **1.1 Unsupported Bursaries**

The balance of Kshs.65,761,161 includes bursaries to secondary schools and tertiary institutions of Kshs.33,731,605 and Kshs.13,748,750 respectively, totalling to Kshs.47,480,355. Included in the latter amount is an amount of Kshs.4,323,000 whose supporting details provided for audit did not have admission numbers and the Counties in which the learning institutions were located. Further, confirmations or acknowledgement receipts that the bursaries were indeed received by the respective Institutions were not provided for audit.

In addition, the bursaries amount of Kshs.47,480,355 includes payments totalling to Kshs.7,131,630 that were not actual bursaries, but expenses incurred in distribution of the bursaries, whose justification was not provided for audit.

In the circumstances, the authenticity of the bursaries amount of Kshs.11,454,630 could not be confirmed.

#### **1.2 Variance in Bursary - Tertiary Institutions Amount Between the Financial Statement and Supporting Schedule**

The balance of Kshs.65,761,161 includes bursaries to tertiary institutions of Kshs.13,748,750, while the supporting schedule provided shows a corresponding amount Kshs.13,476,800, resulting to an unreconciled variance of Kshs.271,950.

In the circumstances, the accuracy and completeness of the bursary - tertiary institutions amount Kshs.13,748,750 could not be confirmed.

### **1.3 Unsupported Emergency Projects**

The balance of Kshs.65,761,161 includes expenditure on emergency projects of Kshs.7,552,686 which further includes an amount of Kshs.2,243,150 in respect of which there was no proof provided to confirm that the activities funded related to urgent, unforeseen need for expenditure that could not be delayed. This was contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015, which states that "emergency" shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the Committee that it cannot be delayed until the next financial year without harming the public interest of the constituents. Further, evidence showing that the expenditure of emergency projects was reported to the Board was not provided for audit, contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

In the circumstances, the propriety of the expenditure on emergency projects of Kshs.2,243,150 could not be confirmed. Also, Management was in breach of law.

### **2. Unsupported Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.33,377,817. However, the bank reconciliation statement as at 30 June, 2022 reflects payments in cash book not recorded in bank statement of Kshs.1,053,532 which includes stale cheques totalling to Kshs.17,838 that had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.33,377,817 could not be confirmed.

### **3. Unsupported PMC Bank Balance**

Annex 5 reflects Project Management Committees (PMC) bank account balances totalling to Kshs.46,656. However, documents in support of the reported balances such as a complete listing of all PMCs in existence, PMCs bank accounts statements and certificates of bank balances were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank account balances totalling to Kshs.46,656 could not be confirmed.

### **4. Transfer to Other Government Units - Unsupported Project Expenditure**

The statement of receipts and payments reflects transfers to other Government units balance of Kshs.74,400,000. However, review of a sample of nineteen (19) project files for projects worth Kshs.32,800,000 revealed that the files lacked vital project documentation such as requisitions, approvals, requests for quotations, awarding

committee minutes, inspection and acceptance minutes, tender quotations from the contractors, public works measurement sheets, Local Service Orders (LSOs) and completion certificates.

Further, the balance of Kshs.74,400,000 includes Kshs.310,150, being cash procurement in respect of the construction of NG-CDF store room. However, the supporting documents such as counter receipt voucher, counter issue voucher and inspection certificate were not provided for audit. No explanation was provided for failure to competitively bid for the works.

In the circumstances, the propriety and value for money for the expenditure could not be confirmed.

#### **5. Compensation of Employees - Wrong Classification of Expenses**

The statement of receipts and payments reflects compensation of employees balance of Kshs.2,625,872 which includes Kshs.564,012 relating to security projects.

In the circumstances, the accuracy of employees' costs of Kshs.2,625,872 could not be confirmed.

#### **6. Inconsistency Between the Budget and the Approved Code List**

The summary statement of appropriation reflects a final budget amount of Kshs.196,875,88, while approved code list for the Fund shows an approved budget of Kshs.136,288,879, resulting to an unexplained variance of Kshs.60,587,001.

In the circumstances, the accuracy of the reported budget amount could not be confirmed.

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

#### **Key Audit Matters**

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

#### **Other Matter**

##### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects total final receipts budget and actual on comparable basis amounts of Kshs.196,875,880 and Kshs.184,787,001 respectively, resulting to an underfunding of Kshs.12,088,880 (or 6% of the budget). Similarly, the Fund

spent Kshs.151,409,184 against an approved budget of Kshs.196,875,880, resulting to an under expenditure of Kshs.45,466,696 (or 23% of the budget).

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

## **2. Unresolved Prior Year Audit Matters**

In the audit report for the previous year, several issues were raised under Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues or given explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board guidelines.

## **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. Projects Implementation**

##### **1.1 Unbranded Complete Projects**

Projects totalling to Kshs.2,600,000 and Kshs.4,500,000 in respect to primary and secondary schools respectively for infrastructure development were not branded as specified by the National Government CDF Board Circular Ref: NGCDFB/CIRCULARS Vol.(121) which states that Constituencies are supposed to incorporate the cost of labelling/ branding of projects in the Bill of Quantities for each project. This will ensure constituencies do not face the need to allocate funds towards labelling of completed projects in subsequent years.

In the circumstances, Management was in breach of law.

##### **1.2 Incomplete Projects**

Physical verification in the month of March, 2023 revealed that four projects totalling to Kshs.7,700,000 in respect to construction and completion of three laboratories and one dormitory were incomplete. Although Management explained that the projects were to be funded for completion in 2022/2023 financial year, contract agreements to confirm the expected completion dates were not provided for audit review.

In the circumstances, value for money of the expenditure of Kshs.7,700,000 could not be confirmed.

### **1.3 Anomalies in Implemented Projects**

Physical verification in the month of March, 2023 in respect to four projects totalling to Kshs.8,000,000 in three primary schools and one secondary school in respect to construction of three classrooms and one laboratory revealed that four projects were not properly executed since there were visible cracks on the walls, poor finishing to external walls and poor paint works.

In the circumstances, full value for money may not be realized from these projects.

## **2. Non-Compliance with National Government Constituencies Development Fund Act, 2015**

The statement of receipts and payments and Note 7 to the financial statements reflects other grants and transfers balance of Kshs.65,761,161 which is 38.6% of the total allocated funds, contrary to Section 48 of the National Government Constituencies Development Fund Act, 2015 on social security programmes, which provides that the funding of social security programmes, education bursary schemes, mock examinations and continuous assessment tests shall be considered as development projects for the purposes of the Act, provided that such projects shall not be allocated more than thirty-five per centum of the total funds allocated for the constituency in any financial year.

This amount includes Kshs.7,480,355 bursaries awarded to various needy students in secondary and tertiary institutions within the constituency. Out of this amount, Kshs.3,711,800 relates to bursary administration costs translating to 7.9% of the total bursaries' costs and not bursaries.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

## **Basis for Conclusion**

### **Lack of Internal Audit Review**

Review of the Fund operations indicated that no internal audit reviews were performed on the Fund's internal processes and no risk assessment was carried out to identify and address key areas of concern and document specific controls in response to identified risks, contrary to Regulation 160(1)(b) of the Public Financial Management (National Government) Regulations, 2015 which states that the internal audit function has a duty to give reasonable assurance through the audit committee on the state of risk management, control, and governance within the Organization.

In the absence of internal audit reviews, it was not possible to confirm the effectiveness of internal controls, risk management and governance for the Fund.

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 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 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability 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 Fund's 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and 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 controls would not necessarily disclose all matters in the internal controls 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

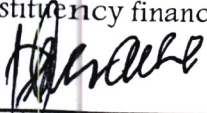
**05 July, 2023**

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

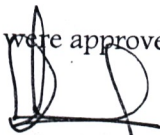
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	170,088,879	128,040,845
Proceeds From Sale of Assets	2	-	
Other Receipts	3	15,000	
<b>Total Receipts</b>		<b>170,103,879</b>	<b>128,040,845</b>
<b>Payments</b>			
Compensation Of Employees	4	2,625,872	3,691,113
Use Of Goods and Services	5	8,622,151	9,061,146
Transfers To Other Government Units	6	74,400,000	69,695,221
Other Grants and Transfers	7	65,761,161	30,280,900
Acquisition Of Assets	8	-	798,000
Other Payments	9	-	1,149,097
<b>Total Payments</b>		<b>151,409,184</b>	<b>114,675,477</b>
<b>Surplus/(Deficit)</b>		<b>18,694,695</b>	<b><u>13,365,368</u></b>

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

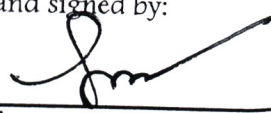
The Constituency financial statements were approved on 17/4 2023 and signed by:

  
Fund Account Manager

Alfred Chisaina

  
National Sub-County  
Accountant

Cynthia Leting  
ICPAK M/No:

  
Chairman NG-CDF  
Committee

Joseph Odada

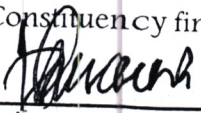
Nyando Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022


III. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022

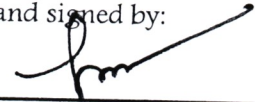
	Note	2021-2022 Kshs	2020-2021 Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	10A	33,377,817	14,683,122
Cash Balances (Cash at Hand)	10B		0
<b>Total Cash and Cash Equivalents</b>		<b>33,377,817</b>	<b>14,683,122</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11		
<b>Total Financial Assets</b>		<b>33,377,817</b>	<b>14,683,122</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A		
Gratuity	12B		
<b>Total Financial Liabilities</b>		<b>33,377,817</b>	<b>14,683,122</b>
<b>Net Financial Assets</b>			
<b>Represented By</b>			
Fund Balance B/Fwd	13	14,683,122	1,511,720
Prior Year Adjustments	14		(193,966)
Surplus/Deficit for The Year		18,694,695	13,365,368
<b>Net Financial Position</b>		<b>33,377,817</b>	<b>14,683,122</b>

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 17/7 202~~2~~<sup>3</sup> and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Alfred Chisaina

Cynthia Leting  
ICPAK M/No:

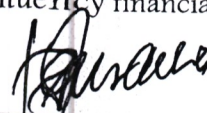
Joseph Odada

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

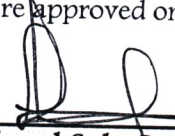
	Notes	2021 - 2022 Kshs	2020 - 2021 Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	170,088,879	128,040,845
Other Receipts	3	15,000	0
<b>Total Receipts</b>		<b>170,103,879</b>	<b>128,040,845</b>
<b>Payments</b>			
Compensation Of Employees	4	2,625,872	3,691,113
Use Of Goods and Services	5	8,622,151	9,061,146
Transfers To Other Government Units	6	74,400,000	69,695,221
Other Grants and Transfers	7	65,761,161	30,280,900
Other Payments	9	-	1,149,097
<b>Total Payments</b>		<b>151,409,184</b>	<b>113,877,477</b>
<b>Total Receipts Less Total Payments</b>			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	(193,966)
Prior Year Adjustments	14	-	-
<b>Net Cash Flow from Operating Activities</b>			<b>(193,966)</b>
<b>Cashflow From Investing Activities</b>		<b>18,694,695</b>	<b>13,969,402</b>
Proceeds From Sale of Assets	2		
Acquisition Of Assets	8	-	(798,000)
<b>Net Cash Flows from Investing Activities</b>			
Net Increase In Cash And Cash Equivalent		18,694,695	13,171,402
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>10</b>	<b>14,683,122</b>	<b>1,511,720</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>10</b>	<b><u>33,377,817</u></b>	<b><u>14,683,123</u></b>

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 17/7 2022 and signed by:

  
Fund Account Manager

Alfred Chisaina

  
National Sub-County  
Accountant  
Cynthia Leting  
ICPAK M/No:

  
Chairman NG-CDF Committee

Joseph Odada

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

V. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2022

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference		% of Utilization	
	2021/2022	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	Kshs	30/06/2022	Kshs	c-d	e-d	f-d	%
Transfers From NGCDF Board	137,088,879		14,683,122	45,088,879	196,860,880		184,772,001	12,088,880				93.9%
Proceeds From Sale of Assets					0							0.0%
Other Receipts			15000		15,000		15,000					100.0%
<b>Totals</b>	<b>137,088,879</b>		<b>14,698,122</b>	<b>45,088,879</b>	<b>196,875,880</b>		<b>184,787,001</b>	<b>12,088,880</b>				<b>93.9%</b>
<b>Payments</b>												
Compensation Of Employees	3,610,256		1,399,319	2,363,197	7,372,772		2,625,872	4,746,900				35.6%
Use Of Goods and Services	8,727,743		565,290	700,000	9,993,033		8,622,151	1,370,882				86.3%
Transfers To Other Government Units	66,700,000		7,800,000	7,100,000	81,600,000		74,400,000	7,200,000				91.2%
Other Grants and Transfers	58,050,880		4,829,892	29,925,682	92,806,454		65,761,161	27,045,293				70.9%
Acquisition Of Assets			88,621	5,000,000	5,088,621			5,088,621				0.0%
Other Payments	0				0							0.0%
Funds Pending Approval**			15000		15,000			15,000				0.0%
<b>Totals</b>	<b>137,088,879</b>		<b>14,698,122</b>	<b>45,088,879</b>	<b>196,875,880</b>		<b>151,409,184</b>	<b>45,466,696</b>				<b>76.9%</b>

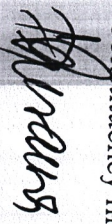
(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

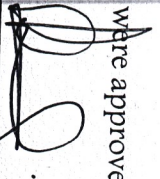
Nyando Constituency  
 National Government Constituencies Development Fund (NGCDF)  
 Annual Report and Financial Statements for The Year Ended June 30, 2022

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2022	45,466,696
	12,088,880
Add Accounts payable	33,377,816
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	0
	33,377,816

The Constituency financial statements were approved on 17<sup>th</sup> 12 2022 and signed by:







Fund Account Manager Alfred Chisaina  
 National Sub-County Accountant Cynthia Leting  
 Chairman NG-CDF Committee Joseph Odada  
 ICPAK M/No: \_\_\_\_\_

Nyando 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 30<sup>th</sup> June 2022

Programme/ Sub-programme	Original Budget 2021/2022 Kshs	Adjustments Opening Balance (C/B) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs	Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,610,256	1,399,319	2,363,197	7,372,772	2,625,872	4,746,900
1.2 Committee allowances	2,000,000			2,000,000	1,894,409	105,591
1.3 Use of goods and services	2,615,076	565,290	700,000	3,880,366	2,615,076	1,265,290
<b>Total</b>	<b>8,225,332</b>	<b>1,964,609</b>	<b>3,063,197</b>	<b>13,253,138</b>	<b>7,135,357</b>	<b>6,117,782</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,915,947			1,915,947	1,915,947	0
2.2 Committee allowances	1,933,858			1,933,858	1,933,858	0
2.3 Use of goods and services	262,861			262,861	262,860	1
<b>Total</b>	<b>4,112,667</b>		-	<b>4,112,667</b>	<b>4,112,666</b>	<b>1</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	7,192,207		360,479	7,552,686	7,552,686	-
3.2 Secondary schools				-	-	-
3.3 Tertiary institutions				-	-	-
3.4 Security projects				-	-	-
3.5 Unutilised				-	-	-
<b>Total</b>	<b>7,192,207</b>	-	<b>360,479</b>	<b>7,552,686</b>	<b>7,552,686</b>	<b>-</b>
<b>4.0 Bursary and Social Security</b>						

**Nyando 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		Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/B) and A/A					
4.1 Secondary Schools	32,000,000	2,060,445		22,639,636	57,454,528	33,731,605	23,722,923
4.2 Tertiary Institutions	11,000,000			4,256,120	15,256,120	13,748,750	1,507,370
nhif							
4.4 Special Needs							
Total	43,000,000	2,060,445		26,895,756	72,710,648	47,480,355	25,230,293
5.0 Sports							
5.1	2,091,777	2,169,447					
Total	2,091,777	2,169,447		2,169,447	4,261,224	4,261,224	(0)
6.0 Environment							
Trilard Enterprises							
Sare Primary School	300,000	600,000			600,000	600,000	-
Onongno Primary School	300,000				300,000	300,000	-
Kibarwa Primary School	316,896				300,000	300,000	-
Nyamasao Primary School	300,000				316,896	316,896	-
Bonde Kakoko Primary School	300,000				300,000	300,000	-
Kogwedhi Primary School	300,000				300,000	300,000	-
Ugwe Primary School	250,000				300,000	300,000	-
Total	2,066,896	600,000		-	2,500,000	2,500,000	-
7.0 Primary Schools Projects							
Achege Central Primary School	600,000				600,000	2,666,896	-

Nyando 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 Opening Balance (C/R) and AIA	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
Akwanya Primary School	400,000			400,000	400,000	-
Alendu Primary School	400,000			400,000	400,000	-
Angoro Primary School	1,000,000			1,000,000	1,000,000	-
Apondo Primary School	1,000,000			1,000,000	1,000,000	-
Awasi Primary School	1,000,000			1,000,000	1,000,000	-
Ayucha Primary School	1,000,000			1,000,000	1,000,000	-
Bonde Kakoko Primary School	400,000			400,000	400,000	-
Bonde Kakoko Primary School	800,000			800,000	800,000	-
Boya Primary School	800,000			800,000	800,000	-
Bwanda Primary School	600,000			600,000	600,000	-
Ger Liech Primary School	600,000			600,000	600,000	-
Holo Orucho Primary School	600,000			600,000	600,000	-
Hongo Radhiang Primary	400,000			400,000	400,000	-
Hongo Radhiang Primary	2,000,000			2,000,000	2,000,000	-
Kanyipola Primary School	1,000,000			1,000,000	1,000,000	-
Karanda Primary School	400,000			400,000	400,000	-
Karanda Primary School	2,000,000			2,000,000	2,000,000	-
Karanda Primary School	100,000			100,000	100,000	-
Karombe Primary School	200,000			200,000	200,000	-
Kasuna Primary School	300,000			300,000	300,000	-
Kobura Primary School	100,000			100,000	100,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/B) and MA	Previous Years Outstanding Disbursements			
Kochieng Primary School	400,000			400,000	400,000	-
Kolal Primary School	400,000			400,000	400,000	-
Kuth Awendo Primary School	600,000			600,000	600,000	-
Migingo Primary School	400,000			400,000	400,000	-
Miguve Primary School	400,000			400,000	400,000	-
Nyamasao Primary School	400,000			400,000	400,000	-
Nyangande Primary School	1,000,000			1,000,000	1,000,000	-
Nyomwaro primary School	600,000			600,000	600,000	-
Ogenya Primary School	400,000			400,000	400,000	-
Ogenya Primary School	400,000			400,000	400,000	-
Ogenya Primary School	2,000,000			2,000,000	2,000,000	-
Okanja Primary School	600,000			600,000	600,000	-
Orgeche Primary School	400,000			400,000	400,000	-
Oren Primary School	800,000			800,000	800,000	-
Oseth Primary School	800,000			800,000	800,000	-
Ponge Primary School	400,000	1,000,000		1,000,000	1,000,000	-
Rabuur Primary School	800,000			400,000	400,000	-
Siary Kabonyo Primary School	300,000			800,000	800,000	-
Siary Kabonyo Primary School	2,000,000			300,000	300,000	-
St Anne Ahero Primary School	600,000			2,000,000	2,000,000	-
Ugwe Primary School	300,000			600,000	600,000	-
				300,000	300,000	-

**Original 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 Opening Balance (C/B) and AYA	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
Withur Primary School	1,000,000			1,000,000	1,000,000	-
Yogo Primary School	600,000			600,000	600,000	-
<b>Total</b>	<b>30,500,000</b>	<b>1,000,000</b>		<b>31,500,000</b>	<b>31,500,000</b>	-
<b>8.0 Secondary Schools Projects</b>						
Alendu Sec School	2,500,000			2,500,000	2,500,000	-
Arombo Secondary School	800,000			800,000	800,000	-
Ayucha Secondary School	900,000			900,000	900,000	-
Ayweyo RC Secondary School	2,200,000			2,200,000	2,200,000	-
Bunde Secondary School	300,000			300,000	300,000	-
Disi Mixed Secondary School	2,500,000			2,500,000	2,500,000	-
Kandaria Secondary School	400,000			400,000	400,000	-
Karanda Secondary School	500,000			500,000	500,000	-
Kanyangoro Secondary School	1,500,000			1,500,000	1,500,000	-
Karanda Secondary School	8,200,000			8,200,000	8,100,000	100,000
Kaholo Secondary School	2,000,000			2,000,000	2,000,000	-
Kobura Girls Sec School	2,500,000			2,500,000	2,500,000	-
Kowuor Secondary School						
Nyalenda Girls Secondary School	2,500,000	600,000	400,000	1,000,000	1,000,000	-
Okanja Secondary School	400,000	1,200,000		3,700,000	3,700,000	-
Olasii Secondary School	2,000,000			400,000	400,000	-
				2,000,000	2,000,000	-

**Nyando 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 Opening Balance (C/B) and AIA	Adjustments Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual or comparable basis 30/06/2022	Budget utilization difference
Ombaka Secondary School	400,000			400,000	400,000	-
Onjiko Kobongo Secondary	300,000			300,000	300,000	-
Ongeche Secondary School	600,000			600,000	600,000	-
Ranjira Secondary School	600,000			600,000	600,000	-
Reru AIC Secondary School	500,000			500,000	500,000	-
Wanganga Secondary School	400,000			400,000	400,000	-
Wawidhi Girls Secondary School	2,500,000		1,000,000	1,400,000	1,400,000	-
Withur Secondary School	800,000			800,000	800,000	-
Nyalenda Girls Secondary School	600,000		7,100,000	7,700,000	7,700,000	800,000
<b>Total</b>	<b>36,200,000</b>	<b>1,800,000</b>	<b>7,100,000</b>	<b>46,500,000</b>	<b>37,900,000</b>	<b>8,600,000</b>
<b>9.0 Tertiary institutions Projects</b>						
Nyando Vocational Training Institute		5,000,000		5,000,000	5,000,000	-
<b>Total</b>	<b>-</b>	<b>5,000,000</b>	<b>-</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>
<b>10.0 Security Projects</b>						
Nyando Sub-County Deputy County Commissioner's Office	400,000			400,000	400,000	-
Boya Police station	400,000			400,000	400,000	400,000
Awasi Police station	400,000			400,000	400,000	-
East Kano Chiefs Camp	400,000			400,000	400,000	-
Kanyagwal Location Chiefs Office	1,600,000			1,600,000	1,600,000	-
Ahero Police Station	500,000			1,000,000	1,000,000	-
<b>Total</b>	<b>9,700,000</b>	<b>-</b>	<b>500,000</b>	<b>4,200,000</b>	<b>3,800,000</b>	<b>400,000</b>

**Nyando 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 Opening Balance (C/B) and AIA	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
<b>11.0 Acquisition of assets</b>						
Nyando NGCDF office	-	88,621		88,621		88,621
Nyando NGCDF Motor vehicle	-		5,000,000	5,000,000		
<b>Total</b>	-	88,621	5,000,000	5,088,621		88,621
<b>12.0 Other payments</b>						
<b>Total</b>	-	-	-	-		-
<b>13.0 unallocated fund</b>						
Unapproved projects		15,000		15,000		-
AIA						-
PMC savings						-
<b>Total</b>		15,000		15,000		15,000
<b>Total</b>	137,088,879	14,698,122	45,088,879	196,875,880	151,409,184	40,451,697

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

##### **3. Reporting Currency**

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

##### **4. Significant Accounting Policies**

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

###### **a) Recognition of Receipts**

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalents.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
B096908		5,000,000
B404666		19,000,000
A823709		11,367,724
Stale cheques reversed		108,621
B124645		9,000,000
B119615		8,500,000
B128005		13,000,000
B128246	-	6,900,000
B132008	-	6,000,000
B132302	-	6,000,000
B138971	-	13,000,000
B126263	-	7,000,000
B105058	-	10,600,000
B140702		12,000,000
Stale cheque reversed		564,500
B105255	33,000,000	0
B105542	44,000,000	0
B105905	22,000,000	0
B128668	5,000,000	0
B128978	12,000,000	0
B154175	12,000,000	0
B154401	18,000,000	
B155525	10,288,879	
A888534	13,800,000	
<b>Total</b>	<b>170,088,879</b>	<b>128,040,845</b>

*Nyando Constituency*

*-National Government Constituencies Development Fund (NGCDF)*

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

*Notes To the Financial Statements (Continued)*

**2. Proceeds From Sale of Assets**

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

**3. Other Receipts**

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents	15,000	
Hire of plant/equipment/facilities		
Unutilized funds from PMCs		
Other Receipts Not Classified Elsewhere		
<b>Total</b>	<b>15,000</b>	

**4. Compensation Of Employees**

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,185,947	2,213,805
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	382,804	1,432,108
Employer Contributions Compulsory national social security schemes	57,120	45,200
<b>Total</b>	<b>2,625,872</b>	<b>3,691,113</b>

*Nyando Constituency**National Government Constituencies Development Fund (NGCDF)**Annual Report and Financial Statements for The Year Ended June 30, 2022**Notes To the Financial Statements (Continued)*

## 5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	1,563,596.59	3,079,550
Utilities, supplies and services	290,485	1,813,889
Communication, supplies and services	142,000	-
Domestic travel and subsistence	424,500	-
Printing, advertising and information supplies & services		0
Electricity		20,000
Rentals of produced assets		0
Training expenses	2,089,500.00	1,471,530
Hospitality supplies and services	242,245	-
Other committee expenses		
Committee allowance	1,034,000.00	1,452,700
Insurance costs		
Specialized materials and services	564,012	
Office and general supplies and services	1,060,320.00	-
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment		0
Fuel Oil and Lubricants	918,500	700,000
Other operating expenses	-	0
Bank service commission and charges	74,430	0
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	196,562	523,477
Routine maintenance- other assets	22,000.00	0
<b>Total</b>	<b>8,622,151</b>	<b>9,061,146</b>

**Nyando Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**  
**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)	31,500,000	41,210,000
Transfers To Secondary Schools (See Attached List)	37,900,000	23,485,221
Transfers To Tertiary Institutions (See Attached List)	5,000,000	5,000,000
<b>Total</b>	<b>74,400,000</b>	<b>69,695,221</b>

**7. Other Grants and Other transfers**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	33,731,605	1,272,750
Bursary – tertiary institutions (see attached list)	13,748,750	8,888,100
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	3,800,000	5,350,000
Sports projects (see attached list)	4,261,224	2,484,150
Environment projects (see attached list)	2,666,896	3,700,000
Emergency projects (see attached list)	7,552,686	8,585,900
<b>Total</b>	<b>65,761,161</b>	<b>30,280,900</b>

**8. Acquisition Of Assets**

Description	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		798,000
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialized Plant, Equipment and Machinery		
Acquisition of Land		
<b>Total</b>		<b>798,000</b>

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

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan		1,149,097
ICT Hub		-
		1,149,097

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
<b>10A: Bank Accounts (Cash Book Bank Balance)</b>		
Name Of Bank, Account No. 01120015436000	33,377,817	14,683,122
<b>Total</b>	33,377,817	14,683,122
<b>10 B: Cash on Hand</b>		
Location 1		
Location 2		
Location 3		
Other Locations (Specify)		
<b>Total</b>		

11: Outstanding Imprests

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

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

*Notes to the Financial Statement Continued*

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	504,308	-
Gratuity held during the year (B)	368,482	-
Gratuity paid during the Year (C)	382,804	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	489,986	-

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

Notes to the Financial Statement Continued

13. Balances Brought Forward

	2021-2022 (1 <sup>st</sup> July 2021)	2020-2021 (1 <sup>st</sup> July 2020)
	Kshs	Kshs
Bank accounts		
Cash in hand		
Imprest		
Total		

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			
Cash in hand			
Accounts Payables			
Receivables			
Others (specify)			
Total			

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

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	998	998.20
Deposit and Retentions held during the year (B)	-	0.00
Deposit and Retentions paid during the Year (C)	-	0.00
closing account payables D= A+B-C	998	998.20
Changes in Accounts Payable E= D-E		

Nyando Constituency  
 National Government Constituencies Development Fund (NGCDF)  
 Annual Report and Financial Statements for The Year Ended June 30, 2022  
 Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

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

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	4,746,900	3,762,516
Use of goods and services	1,370,882	1,265,290
Amounts due to other Government entities (see attached list)	7,200,000	18,269,143
Amounts due to other grants and other transfers (see attached list)	27,045,293	31,460,749
Acquisition of assets	5,088,621	5,088,621
Other payments	-	119,648
Funds pending approval	15,000	
Total	45,466,696	59,965,967

*Nyando Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	46,656	4,305,163
Total	46,656	4,305,163

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

**Annexes**  
**Annexes: 1 Analysis of Pending Accounts Payable**

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

**Nyando Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**  
**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
<b>NG-CDPC Staff</b>				
1.				
2.				
3.				
<b>Sub-Total</b>				
<b>Grand Total</b>				

**Nyando Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**  
**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees	Employee salaries	4,814,700	3,762,516	
Use of goods & services	Goods and services	1,370,882	1,265,290	
Amounts due to other Government entities				
Nyalenda Girls Secondary School	Purchase of school bus	7,100,000		
Karanda Mixed Sec School	Payment for school bus	100,000		
Sub-Total		7,200,000	18,269,143	
Amounts due to other grants and other transfers				
Bursary Secondary Schools	Bursary secondary schools	23,722,923		
Bursary Tertiary Institutions	Bursary Tertiary institution	1,507,370		
Nyando Sub-County Deputy County Commissioner's Office	Fencing of DCCs residence	400,000		
Withur Secondary School	Completion of tuition block	800,000		
Sub-Total		27,045,293	31,460,749	
Acquisition of assets				
Nyando NGCDF Office	Completion of office block	88,621		
NGCDF Motor Vehicle	Motor Vehicle	5,000,000		
Sub Total		5,088,621	5,088,621	
Other Payments			119,648	
Sub-Total				
Funds pending approval		15,000		
Grand Total		45,466,696	59,965,967	

Nyando Constituency

National Government Constituencies Development Fund (NGCDF)

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

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	1,400,000			1,400,000
Buildings and structures	18,161,379			18,161,379
Transport equipment	4,166,850			4,166,850
Office equipment, furniture and fittings	1,407,355			1,407,355
ICT Equipment, Software and Other ICT Assets	613,945			613,945
Other Machinery and Equipment	-			-
Heritage and cultural assets	-			-
Intangible assets	-			-
<b>Total</b>	<b>25,749,529</b>			<b>25,749,529</b>

Nyando Constituency

National Government Constituencies Development Fund (NGCDF)

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

Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
KOROWE PRIMARY SCH.	NBK BANK	1.22402E+12	815.00	13
OJIENDA PRIMARY SCHOOL	CO-OP BANK	1.11702E+12	1,205.00	1,205
KALUORE PRIMARY	CO-OP BANK	1.11701E+12	1,290.00	2,180
NYAKONGO PRIMARY SCH.	KCB BANK	1112947825	1,431.00	1,205
OKIRO PRIMARY SCH.	NBK BANK	1.02202E+12	650.00	5,476
KOSIDA PRIMARY SCH.	KCB BANK	1132678927	956.00	358
NYALENDA GIRLS SEC. SCH.	KCB BANK	1136327428	13,220.00	1,501,376
APONDO PRIMARY SCH.	NBK BANK	1.02221E+12	1,205.00	1205
KOBURA GIRLS SEC. SCH.	NBK BANK	1.02503E+12	3,760.00	3760
KANYANGORO PRIMARY SCH.	NBK BANK	1.22412E+12	528.00	600,400
ALENDU PRIMARY SCH.	KCB BANK	1146068476	2,180.00	1,598
MIGINGO PRIMARY SCH.	FAMILY BANK	28000029818	2,115.00	40
MIGUYE PRIMARY SCH.	KCB BANK	1103283839	358.00	2,478
KOWALLA PRIMARY SCH.	NBK BANK	1.22402E+12	1,598.00	1,581
OKANJA PRIMARY SCH.	NBK BANK	1.02412E+12	115.00	3,386
AWASI PAG GIRLS SEC. SCH.	ABSA BANK	2026255042	2,478.00	2478

Nyando Constituency

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

	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
RANJIRA PRIMARY SCH.	KCB ABNK	1131179919		
KOBURA PRIMARY SCH.	CO-OP BANK	1.14161E+12	1,581.00	
BUNGU KORAGA PRIMARY SCHOOL	CO-OP BANK	1.11729E+12	715.00	619,831
LELA PRIMARY SCHOOL	NBK BANK	1.22402E+12	616.00	16,285
RABUOR PRIMARY SCH.	NBK BANK	1.22402E+12	1,402.00	271,386
ONG'EICHE PRIMARY SCHOOL	KCB BANK	1173281355	820.00	820
KATOLO MIXED SEC. SCHOOL -	KCB BANK	1285450205	1,492.00	
KOWUOR MIXED SEC. SCHOOL	KCB BANK	1116066262	1,350.00	249,395
NDURU MHM PRIMARY SCH.	CO-OP BANK	1.14187E+12	3,386.00	1,705
HOLO ORUCHO PRIMARY SCHOOL	NBK BANK	1.22402E+12	1,705.00	317
KATOLO PRIMARY SCHOOL	KCB BANK	1134888694	317.00	183
AROMBO MIXED SEC. SCHOOL	KCB BANK	1275712398	183.00	1,492
Total			213.00	13,274
			46,656.00	4,305,163

**Annex 6: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Irregular Procurement of goods	Management has responded to the auditor	Awaiting auditors feedback	
2	Project not implemented according to contract agreement	Management has responded to the auditor	Awaiting auditors feedback	
3	Un-supported project payments	Management has responded to the auditor	Awaiting auditors feedback	
4	Poorly implemented project	Management has responded to the auditor	Awaiting auditors feedback	
5	Delay in implementation of ICT Hub project	Management has responded to the auditor	Awaiting auditors feedback	

.....

**Alfred Chisaina**  
Fund Account Manager.

