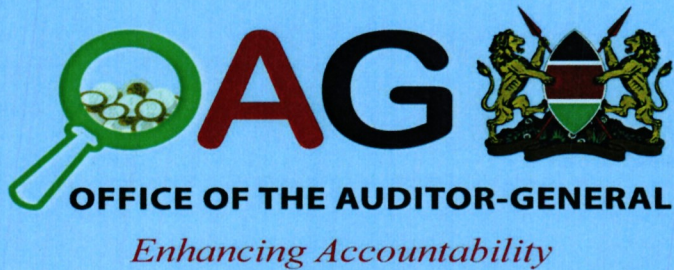


REPUBLIC OF KENYA



REPORT NATIONAL ASSEMBLY

DATE: 24 NOV 2022

DAY:
Thursday

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E Nginyo

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KITUTU CHACHE NORTH CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



KITUTU CHACHE NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Edwin.K. Rutto
2.	Sub-County Accountant	Omae Birundu
3.	Chairman NGCDFC	Samwel Ondieki
4.	Member NGCDFC	Mary Onkoba

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of KITUTU CHACHE NORTH Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) Kitutu Chache North Constituency NGCDF Headquarters

P.O. Box 4576
NG-CDF OFFICE BUILDING- MARANI
MARANI SUB-COUNTY HEADQUARTERS
KISII, KENYA

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

(f) Kitutu Chache North Constituency NGCDF Contacts

Telephone: (254) 720140374
E-mail: cdfkitutuchachenorth ngcdf.go.ke
Website: www.go.ke

(g) Kitutu Chache North Constituency NGCDF Bankers

Co-operative Bank (specify the constituency account banker details)
Branch: Kisii
P.o Box
KISII

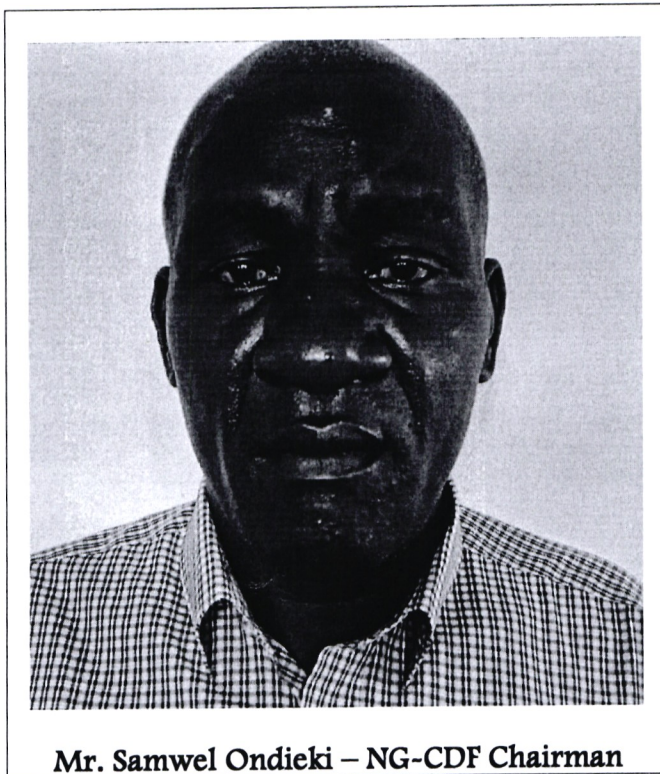
(h) Independent Auditors

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-CDF CHAIRMAN'S REPORT

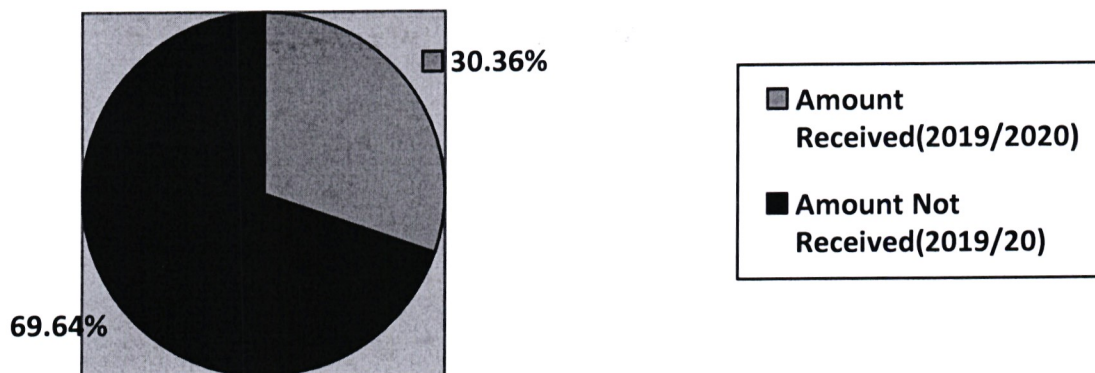


During the financial year 2020/2021 Kitutu Chache North Constituency was allocated a total allocation of Ksh. 137,088,879.31. The total amount was budgeted for in the proposal for the financial year and it was approved in totality. The constituency received a total of Ksh.123, 040, 875.50 from NG-CDF Board this amount received includes amounts relating to previous year which a not been received. From the current financial Ksh.89,600,000 was received the rest was undisbursed balance from previous year.

On appropriation the constituency utilization was average, the constituency was able to absorb more than 72% of the total available funds. This was somehow lower, this lower absorption was majorly attributed to COVID 19 Pandemic which caused some institution which are fundable by the fun to be closed delaying disbursement of funds to the Project Management Committees(PMC),this absorption rate was also caused by delay in receiving 2020/2021 fund. Bulk of the receipts was receipt in the last quarter of the financial year.

About 78% of funds of expected funds were received. The chart below shows a representation of amount received from board the financial year in comparison to the amount not yet received is represented by the pie chart below; This representation is for 2019/2020 funds

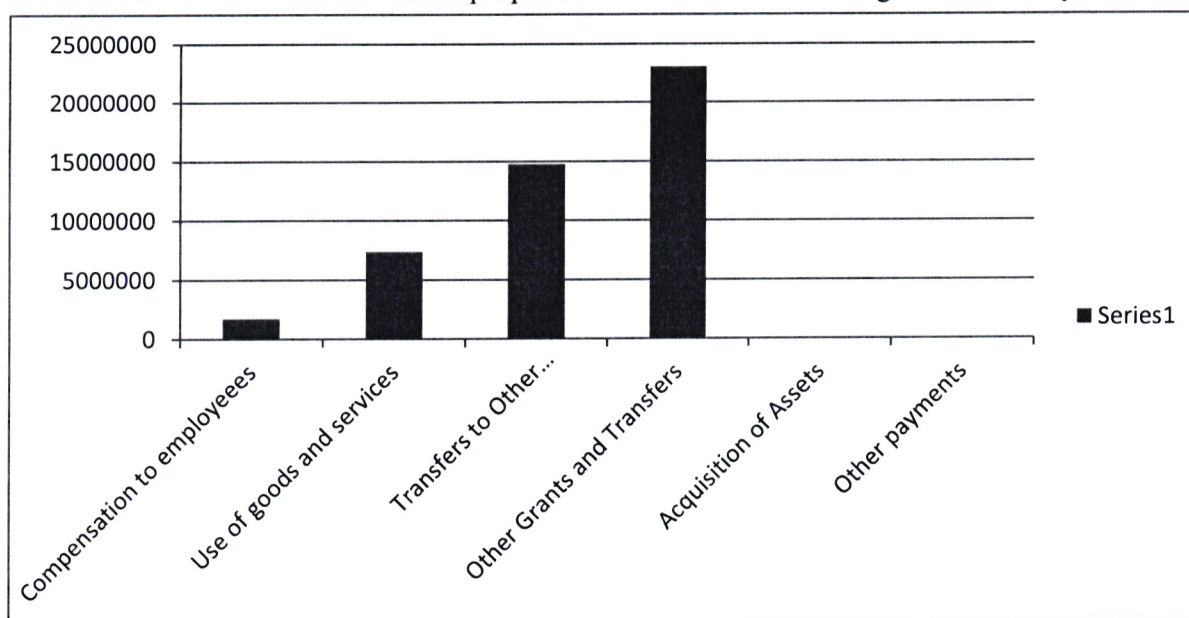
**Kitutu Chache North Constituency
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From the chart it can be seen that slightly more than 69% of the 2020/2021 funds were still with the board at the end of the financial year.

The NG-CDF Committee prioritized the funds which were received and gave priority to projects in Other Grants and Transfers and Transfers to other government entities as well as transfers to other government entities. Most of these projects were done to satisfaction. The bulk of funds utilized in the financial were in bursary, education projects and other grants and transfers.

The table below shows the utilization proportion of various votes during the financial year.



***Kitutu Chache North Constituency
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Kitutu Chache North National Government Constituency Development Fund Committee (NGCDF) projects were implemented through Project Management Committees. Some of the projects implemented during the year are represented pictorially below.



KITUTU CHACHE NORTH NG CDF PROJECT-8 CLASSROOMS RENOVATED BY NG-CDF AT NYANSAKIA PRIMARY SCHOOL

During the course of implementation of projects Constituencies Development Fund Committee noted that Project Management Committees require adequate training to ensure effective implementation of projects.

**Kitutu Chache North Constituency
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KITUTU CHACHE NORTH NG CDF PROJECT-3 CLASSROOMS CONSTRUCTED BY NG-CDF AT ERAMBA PRIMARY SCHOOL

The major challenge faced by Kitutu Chache North NG-CDF Committee lack of capacity by Project Management Committees to implement NG-CDF Projects, this led to delay in project implementation lifecycle and sometimes poor workmanship. This challenge has been partially solved by having continuous training of PMC members and regular training by NG-CDF Committee Members.

It is our hope that these challenges will be handled effectively in future through proper planning on priority areas.

Signature

Samwel Ondieki

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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 *Kitutu Chache North Constituency 2018-2022* plan are to:

- a) To Improve Access to and Quality of Education in the Constituency
- b) To improve security in the Constituency
- c) To improve, coordinate and facilitate infrastructural development in Constituency
- d) To reduce poverty and inequality in the Constituency
- e) To mobilize Resources for Development in the Constituency
- f) To Build Capacity to Implement Development Projects in the Constituency
- g) To promote sports activities and prevent environmental degradation 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	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 19/20 -we increased number of classrooms by 20, dormitories by 1, laboratories by 2 in various schools /institutions
Security	To improve security in the Constituency	Improved security in the constituency	Number of to the nearest unit i. police station or administrative unit	In2019/2020 four administrative offices and two police units were built

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
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Environment	To promote sports activities in the Constituency	Youth participation in sports.	Number of Youth teams participating in football tournament	Organised one youth tournament
Sports	To prevent environmental degradation in the Constituency	Green and sustainable environment	Reduce distance to access to water spring	In the current financial year four springs were protected.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

KITUTU CHACHE NORTH 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 KITUTU CHACHE NORTH NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels

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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

Public participation in the identification and implementation of environmental projects

The Kenyan Constitution encourages public participation in the management, protection and conservation of the environment. The NGCDF Board and NG-CDFCs are therefore required to involve the public in the identification and implementation of environmental projects to ensure maintenance and sustainability.

Eligible projects under the NG-CDF Environment programme

1. Projects falling within the National Government functions such as;
 - (i) Fishing, hunting and gathering;**
 - (a) Construction of fishing bays and bandas to ensure cleanliness of the environment and ease of waste management;
 - (b) Construction of Eco-san toilets along the beaches
 - (c) Installation of bee hives for public institutions which helps in pollination and reproduction of plants
 - (d) Training of fisheries community on the best fishing and hunting practices
 - (ii) Protection of animals and wildlife;**
 - (a) Partnering with relevant Government Departments in fencing national parks and gazetted forests.
 - (b) Partnering with relevant Government departments in sensitizing the community against poaching
 - (iii) Water protection, securing sufficient residual water, and the safety of dams;**
 - (a) Protection of springs, dams and water reservoirs
 - (b) Building of gabions, training of rivers, desilting of dams, fencing of dams and water catchment areas
 - (iv) Energy policy;**
 - (a) Installation of biogas and energy saving devices in public institutions *(All NGCDF funded projects should comply with this requirement)*
 - (b) Sensitizing the community on energy saving policies
 - (c) Carrying out energy requirements surveys

During the year Kitutu Chache North Protected four water springs

3. Employee welfare

We invest in providing the best working environment for our employees. KITUTU CHACHE NORTH 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. Kitutu Chache North constituency invests in

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
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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-

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

KITUTU CHACHE NORTH 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.

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

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
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V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

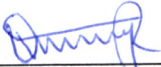
The Accounting Officer in charge of the NGCDF-KITUTU CHACHE NORTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kitutu Chache North 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kitutu Chache North Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.


The Accounting Officer in charge of the NGCDF Kitutu Chache North 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- Kitutu Chache North Constituency financial statements were approved and signed by the Accounting Officer on 24/09/2021.



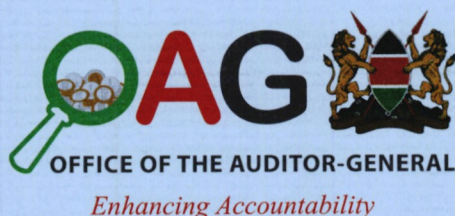
Chairman NGCDF Committee
Name: Samwel Ondieki



Fund Account Manager
Name: Edwin K. Rutto

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KITUTU CHACHE NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kitutu Chache North Constituency set out on pages 14 to 55, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kitutu Chache North Constituency as at 30 June, 2021, and of its statement of receipts and payments 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 Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kitutu Chache North Constituency Management in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.244,474,103 and Kshs.190,785,224 respectively, resulting in an under-realization of receipts by Kshs.53,688,879 or 22% of the budget. Similarly, the statement reflects final budgeted payments of Kshs.244,474,104 and actual payments of Kshs.169,280,596 resulting in net under expenditure of Kshs.75,193,508 or 31% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Transfers to Other Government Entities

The statement of receipts and payments reflects transfers to other government entities amount of Kshs.75,650,000 as disclosed in Note 6 to the financial statements.

However, the following unsatisfactory matters were noted:

1.1 Incomplete Renovation of a Classroom at Rioma Primary School

Included in the transfers to other government entities as disclosed in Note 6 to the financial statements is an amount of Kshs.29,250,000 in respect to transfers to primary schools. Review of records revealed that a payment of Kshs.300,000 was made for renovation of one classroom up to completion at Rioma Primary School. However, physical verification done in March, 2022 revealed that the renovation was incomplete and the classroom was in use without window panes.

In the circumstance, the students and other stakeholders may not receive value for money from the expenditure.

1.2 Incomplete Secondary School Projects

Included in the transfers to other government entities under Note 6 to the financial statements is an amount of Kshs.46,400,000 relating to transfers to secondary schools. Review of documents and physical verification carried out in March, 2022 revealed that four (4) projects at St Monica Girls Marani, Geturi, Engoto, and Nyasore Secondary Schools costing Kshs.3,600,000 were incomplete and were at various stages of completion.

In the circumstances, projects costs may escalate and the students and other stakeholders may not get value for money from the funds so far spent on the projects.

2.0 Other Grants and Transfers/Other Payments

The statement of receipts and payments reflects other grants and transfers and other payments totalling Kshs.79,842,005 as disclosed in Note 7 to the financial statements.

However, the following matters were noted:

2.1 Incomplete Security Projects

Included in other grants and transfers and transfers is an expenditure of Kshs.4,300,000 for security projects. However, review of documents and physical verification done in March, 2022 revealed that, four (4) projects at Mwakibagendi Chief's office, Gesieka AP line, Rioma Police Station and Marani D.C.C's residence implemented at a cost of Kshs.4,300,000 were incomplete and at various stages of completion.

In the circumstances, projects cost may escalate and the public may not receive value for money from the funds so far spent on the projects.

2.2 Failure to Brand Emergency Projects

Included in the other grants and transfers and transfers is an expenditure of Kshs.7,280,960 in respect to emergency projects. However, physical verification revealed that four (4) projects at Nyasore, Getionko, Itumbe, Maroma and Magonga

Primary Schools amounting to Kshs.2,447,060 were complete and in use but were not branded.

Failure to brand projects is contrary Regulation 11(1)(cc) of the National Government Constituencies Development Fund Regulations, 2016 which states that, one of the functions of the Constituency Committee is to ensure projects are labelled in accordance with the guidelines issued by the board.

In the circumstances, there is risk of overlap of projects especially where there is multi-funding by other government agencies.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations. Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements

are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 ability of the Fund to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 September, 2022

Kitutu Chache North Constituency


National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for The Year Ended June 30, 2021


VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	160,767,724	123,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		160,767,724	123,040,876
PAYMENTS			
Compensation of employees	4	1,826,640	1,826,640
Use of goods and services	5	11,961,951	9,933,575
Transfers to Other Government Units	6	75,650,000	57,400,000
Other grants and transfers	7	79,842,005	22,766,157
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		169,280,596	91,926,372
SURPLUS/(DEFICIT)		(8,512,872)	31,114,504

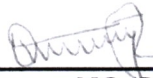
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kitutu Chache North Constituency financial statements were approved on 24/09 2021 and signed by:



Fund Account Manager
Name: Edwin K. Rutto



**National Sub-County
Accountant**
Name: Omae Birundu
ICPAK M/No: 18248




Chairman NG-CDF Committee
Name: Samwel Ondieki

*Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	27,504,628	36,017,500
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		27,504,628	36,017,500
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		27,504,628	36,017,500
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		27,504,628	36,017,500
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd		36,017,500	3,539,887
Prior year adjustments	14	-	1,363,109.00
Surplus/Deficit for the year		(8,512,872)	31,114,504
NET FINANCIAL POSITION		27,504,628	36,017,500

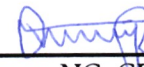
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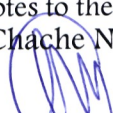
Chairman NG-CDF Committee
Name: Samwel Ondieki


Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

		2020 – 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	160,767,724	123,040,876
Other Receipts	3	-	
Total receipts		160,767,724	123,040,876
Payments for operating activities			
Compensation of Employees	4	1,826,640	1,826,640
Use of goods and services	5	11,961,951	9,933,575
Transfers to Other Government Units	6	75,650,000	57,400,000
Other grants and transfers	7	79,842,005	22,766,157
Other Payments	9	-	-
Total payments		169,280,596	91,926,372
Total Receipts Less Total Payments			
Adjusted for:		-	
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	
Prior year adjustments	14	-	1,363,109
Net cash flow from operating activities		(8,512,872)	1,363,109
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(8,512,872)	32,477,613
Cash and cash equivalent at BEGINNING of the year	10	36,017,500	3,539,887
Cash and cash equivalent at END of the year		27,504,628	36,017,500

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kitutu Chache North Constituency financial statements were approved on 24/09/2021 and signed by:


Fund Account Manager
Name: Edwin K. Rutto


National Sub-County
Accountant
Name: Omae Birundu
ICPAK M/No: 18248


Chairman NG-CDF Committee
Name: Samwel Ondieki

*Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

IX. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30 JUNE 2021

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	B		c=a+b	D	e=c-d	f=d/c %
RECEIPTS	2020/2021	Kshs		2020/2021	30/06/2021	Kshs	
Transfers from NGCDF Board	137,088,879	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	244,474,103	190,785,224	53,688,879	78.0%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	0.0%
TOTALS	137,088,879	36,017,500	71,367,724	244,474,103	190,785,224	53,688,879	78.0%
PAYMENTS							
Compensation of Employees	1,900,305	548		1,900,853	1,826,640	74,213	96.1%
Use of goods and services	10,437,694	1,488,498	37,521	11,963,713	11,961,951	1,762	100.0%
Transfers to Other Government Units	69,900,000	25,247,867	34,380,609	129,528,476	75,650,000	53,878,476	58.4%
Other grants and transfers	54,850,880	4,103,560	36,949,594	95,904,034	79,842,005	16,062,029	83.3%
Acquisition of Assets		500,000.00		500,000	-	500,000	0.0%
Other Payments	0	4,677,027		4,677,027	-	4,677,027	0.0%
Funds pending approval**							
TOTALS	137,088,879	36,617,500	71,367,724	244,474,103	169,280,596	75,193,507	96.1%

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

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]


(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Utilization in Transfers to other Government Units, Other Grants and transfers, Acquisition of Assets and other payments were below 90% because there was a delay in receiving funds from the Board during the financial year.


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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	75,193,507
Less undisbursed funds receivable from the Board as at 30 th June 2021	47,688,879
	27,504,628
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	27,504,628


The NGCDF-Kitutu Chache North Constituency financial statements were approved on 24/09/2021 and signed by:



Fund Account Manager
Name: Edwin K. Rutto



**National Sub-County
Accountant**
Name: Omae Birundu
ICPAK M/No: 18248



Chairman NG-CDF Committee
Name: Samwel Ondieki

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c (a+b)	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	1,900,304.82	548		1,900,853	1,826,640	74,213	
1.2 Committee allowances	2,983,269			2,983,269	2,983,269	0	100
1.3 Use of goods and services	3,341,758.62	1,488,498	37,521	4,867,778	4,867,778	(0)	100
Total	8,225,333	1,489,046	37,521	9,751,900	9,677,687	74,213	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,285,275			1,285,275	1,285,275	(0)	100
2.2 Committee allowances	1,749,806			1,749,806	1,749,806	(0)	100
2.3 Use of goods and services	1,077,586			1,077,586	1,075,823	1,763	100
Total	4,112,666	-	-	4,112,666	4,110,904	1,762	100
3.0 Emergency							
3.1 Primary Schools	7,192,207	822,951	47,570	8,062,728	7,280,960	781,768	90
3.2 Secondary schools							
3.3 Tertiary institutions							
3.4 Security projects							

tu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

3.5 Unutilised										
Total	7,192,207	822,951	47,570	8,062,728	7,280,960	781,768				
4.0 Bursary and Social Security										
4.1 Secondary Schools	20,000,000		18,801,651	38,801,651	38,691,000	110,651		100		
4.2 Tertiary Institutions	12,341,931	3,280,609	15,283,858	30,906,398	24,632,000	6,274,398		80		
4.3 Social Security	4,033,187			4,033,187	-	4,033,187		-		
4.4 Special Needs				-	-	-		-		
Total	36,375,118	3,280,609	34,085,509	73,741,236	63,323,000	10,418,236		86		
5.0 Sports										
5.1	2,741,778		16,515	2,758,293	2,702,605	55,688		98		
Total	2,741,778		16,515	2,758,293	2,702,605	55,688				
6.0 Environment										
6.1. Geturi Spring Protection	456,963			456,963	456,963	(0)		100		
6.2. Igemo Water Speing	456,963			456,963	456,963	0				
6.3. Kenyoro Water Spring	456,963			456,963	456,963	(0)				
6.4. Mosochi Water Spring	456,963			456,963	450,625	6,338				
6.5. Mwakibagendi Water Spring	456,963			456,963	456,963	(0)				
6.6. Oaro Water Spring	456,963			456,963	456,963	(0)				
Total	2,741,778	-	-	2,741,778	2,735,440	6,338				
7.0 Primary Schools Projects										
#NAME?										
Entanda Girls Boarding	1,000,000	400,000		1,400,000	500,000	900,000				
Gesangora Primary School	300,000	600,000		900,000	300,000	600,000				
Kiarenii Primary school	300,000			300,000	300,000	-				

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Gesabakwa primary school	600,000				600,000				
Isanta primary school	300,000	800,000			1,100,000	800,000	300,000		
Nyakome primary school	600,000				600,000		600,000		
Nyakome special school	400,000	900,000			1,300,000				
Magonga primary school	600,000				600,000	600,000			
Nyasore primary school	600,000				600,000	600,000			
Getiongo II primary	300,000				300,000	300,000			
Rikenye primary school	600,000	100,000			700,000	600,000	100,000		
Maroma primary school	400,000	600,000			1,000,000	900,000	100,000		
Eramba primary school	600,000	500,000			1,100,000	600,000	500,000		
Eramba mission primary School	300,000				300,000	300,000			
Nyabikondo primary school	300,000				300,000	300,000			
Nyamwanga primary school	600,000	100,000			700,000	600,000	100,000		
Kiamogore primary school	300,000	100,000			400,000	300,000	100,000		
Marani primary school	600,000				600,000	600,000			
Nyansaga primary school	300,000	350,000			650,000	300,000	350,000		
Sensi primary school	300,000	500,000			800,000	300,000	500,000		
Engotogoti primary school	300,000	250,000			550,000	300,000	250,000		
Geturi primary	300,000				300,000	300,000			
Kiong'anyo primary school	300,000				300,000	300,000			
Magena primary school	300,000				300,000	300,000			
Nyabworoba primary school	300,000	500,000			800,000	300,000	500,000		
Nyagonyi primary school	300,000				300,000	300,000			
Riakerongo primary	600,000				600,000	600,000			
Nyakenego primary school						600,000			

u Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

	600,000			600,000				
Nyakeiri primary school	500,000	300,000		800,000	500,000	300,000		
Mesaria primary school	600,000	850,000		1,450,000	600,000	850,000		
Nyamokenye primary	600,000			600,000	600,000	-		
Omoenga primary school	600,000	500,000		1,100,000	600,000	500,000		
Nyagesenda primary school	1,000,000			1,000,000	500,000	500,000		
St. Anns getare primary	300,000			300,000	300,000	-		
Rioma primary school	600,000			600,000	300,000	300,000		
Engoto primary school	300,000	19,391	280,609.00	600,000	600,000	-		
Nyagoto primary school	300,000			300,000	300,000	-		
Getionko 1 Primary School	1,000,000			1,000,000	500,000	500,000		
Metembe primary school	600,000	100,000		700,000	600,000	100,000		
Nyakooora primary school	300,000			300,000	300,000	-		
Nvansakia primary school	300,000			300,000	300,000	-		
Nvansakia special School	400,000		500,000.00	900,000	500,000	400,000		
Ngokoro primary	600,000	100,000		700,000	600,000	100,000		
Tambacha primary school	300,000	100,000		400,000	300,000	100,000		
Riragi primary School	300,000	500,000		800,000	300,000	500,000		
Iumba Primary School	600,000			600,000	600,000	-		
Kenyoro primary school	400,000	100,000		500,000	400,000	100,000		
Mosocho primary	400,000			400,000	400,000	-		
Eronge primary school	300,000	100,000		400,000	300,000	100,000		
Ragogo primary school	600,000			600,000	600,000	-		
Motonto primary school	300,000	500,000		800,000	300,000	500,000		
Entanda primary School	300,000	250,000		550,000	550,000	-		

Itu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Mesaria secondary school	600,000.00	300,000		900,000	600,000	300,000	67
Nyagesenda secondary school.	600,000.00	75,976		675,976	600,000	75,976	89
Rioma secondary school	600,000.00		1,500,000	2,100,000	600,000	1,500,000	29
Engoto secondary school	1,000,000.00			1,000,000	500,000	500,000	50
Metembe secondary school	600,000.00	600,000		1,200,000	600,000	600,000	50
Nyakoora secondary school	600,000.00	502,500		1,102,500	600,000	502,500	54
Kenyoro secondary school	600,000.00	190,000		790,000	600,000	190,000	76
Motonio secondary school	600,000.00			600,000	600,000	-	100
Nyankanda secondary	600,000.00			600,000	600,000	-	100
Ngenyi girls' secondary school	1,000,000.00			1,000,000	500,000	500,000	50
Itibo boys secondary	600,000.00	100,000		700,000	600,000	100,000	86
Kiarenii secondary school	600,000.00			600,000	600,000	-	100
Nyansakia Secondary School	1,000,000.00	300,000		1,300,000	500,000	800,000	38
Nyakeyo Secondary School	7,250,000.00	700,000		7,950,000		7,950,000	-
Mosocho Secondary School	7,250,000.00			7,250,000		7,250,000	-
Engoto Secondary School	7,250,000.00			7,250,000		7,250,000	-
Eramba Secondary School	7,250,000.00			7,250,000		7,250,000	-

**Kitutu Chache North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Entanda Secondary School		100,000	100,000		100,000				
Nyagoto Secondary School		500,000	500,000		500,000				
Manyansi Secondary School			7,900,000		7,900,000		7,160,000		91
Gamba Secondary School			7,400,000		7,400,000		7,160,000		97
Tambacha Secondary School			7,400,000		7,400,000		7,160,000		97
Nyakome Secondary School			7,400,000		7,400,000		7,160,000		97
Total	42,100,000	11,878,476	31,600,000	85,578,476	46,400,000	39,178,476			54
9.0 Tertiary institutions Projects									
Total									#DIV/0!
10.0 Security Projects									
Mwakibagendi chief's office	200,000.00		300,000	500,000	200,000	300,000			40
Gesioka AP line	500,000.00		400,000	900,000	500,000	400,000			56
Mwagichana chief's office	200,000.00		600,000	800,000	200,000	600,000			25
Sensi AP line	300,000.00			300,000	300,000				100
Marami D.C.'s Residence	2,000,000.00			2,000,000	1,000,000	1,000,000			50
Kiong'anyo chief's office	200,000.00		300,000	500,000	200,000	300,000			40
Bumburia ap line	500,000.00		900,000	1,400,000	500,000	900,000			36
Matongo chief's office	1,000,000.00			1,000,000	500,000	500,000			50
Megogo chief's office					400,000	300,000			57

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Rioma Police Station	400,000.00		300,000	700,000			500,000	
	500,000.00			500,000				
Total	5,800,000		2,800,000	8,600,000	3,800,000		4,800,000	44
11.0 Acquisition of assets								
11.1 Motor Vehicles	-		-	-	-		-	
11.2 Construction of CDF office	-		-	-	-		-	
11.3 Purchase of furniture and equipment	-	500,000	-	500,000	-		500,000	
11.4 Purchase of computers	-		-	-	-		-	
Total	-	500,000	-	500,000	-		500,000	
12.0 Other payments								
NGCDF Office			-	-			-	#DIV/0!
Constituency strategic plan				-			-	#DIV/0!
NGCDF office				-			-	#DIV/0!
Constituency Innovation Hub		4,677,027		4,677,027			4,677,027	
Total	-	4,677,027	-	4,677,027	-		4,677,027	
13.0 unallocated fund								
Unapproved projects								
ALA				-			-	#DIV/0!
PMC savings								
Total	-	-	-	-	-		-	
	137,088,879	36,017,500	71,367,724	244,474,103	169,280,596		75,193,507	

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STATEMENT OF APPROPRIATION EXTRACT (FOR COMPARISON OF APPROPRIATION STATEMENT PAYMENTS TOTALS AND BUDGET EXECUTION TOTALS)

Receipt/Expense Item	Original Budget a	Opening Balance (C/Bk) and AIA	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
PAYMENTS							
Compensation of Employees	1,900,305	548	-	1,900,853	1,826,640	74,213	1
Use of goods and services Transfers to Other Government Units	10,437,694	1,488,498	37,521	11,963,713	11,961,951	1,762	1
Other grants and transfers	69,900,000	25,247,867	34,380,609	129,528,476	75,650,000	53,878,476	1
Acquisition of Assets	54,850,880	4,103,560	36,949,594	95,904,034	79,842,005	16,062,029	1
Other payments	-	500,000	-	500,000	-	500,000	-
UNALLOCATED FUND	-	4,677,027	-	4,677,027	-	4,677,027	0
TOTAL	137,088,879	36,017,500	71,367,724	244,474,103	169,280,596	75,193,507	1

(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-Kitutu Chache North 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.

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.

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.

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.

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

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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.

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 11 June 20xx for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

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

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

15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO. B 041045	1		53,040,876
AIE NO. B 047487	2		4,000,000
AIE NO. B 041489	3		20,000,000
AIE NO. B 047710	4		6,000,000
AIE NO. B 049297	5		14,000,000
AIE NO. B 104322	6		24,000,000
AIE NO. B 096578			2,000,000
AIE NO. B 104860	1	67,867,724.10	
AIE NO. B 124575	2	9,000,000.00	
AIE NO. B 126467	3	10,000,000.00	
AIE NO. B 138878	4	13,000,000.00	
AIE NO. B 128153	5	6,900,000.00	
AIE NO. B 128466	6	7,000,000.00	
AIE NO. B 119912	7	13,000,000.00	
AIE NO. B 126172	8	6,000,000.00	
AIE NO. B 132210	9	6,000,000	
AIE NO. B 119522	10	10,000,000.00	
AIE NO. B 140610	11	12,000,000.00	
TOTAL		160,767,724	123,040,876

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	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		
Total		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Unutilized funds from PMCs		
Other Receipts Not Classified Elsewhere		
Total		

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,728,000	1,728,000
Personal allowances paid as part of salary		-
House Allowance		-
Transport Allowance		
Leave allowance		
Gratuity to contractual employees		
Employer Contributions Compulsory national social security schemes	98,640	98,640
Total	1,826,640	1,826,640

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses		4,122,000
Utilities, supplies and services	2,317,970	2,061,575
Communication, supplies and services	620,000	500,000
Domestic travel and subsistence	444,000	340,000
Printing, advertising and information supplies & services	560,000	430,000
Rentals of produced assets		0
Training expenses	840,000	640,000
Hospitality supplies and services	250,000	160,000
Other committee expenses	1,943,930	0
Committee allowance	2,303,000	0
Insurance costs		0
Specialized materials and services	200,000	150,000
Office and general supplies and services		650,000
Other operating expenses	1,512,367	230,000
Routine maintenance – vehicles and other transport equipment	670,684	350,000
Routine maintenance – other assets	300,000	300,000
Total	11,961,951	9,933,575

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	29,250,000	39,000,000
Transfers to secondary schools (see attached list)	46,400,000	18,400,000
Transfers to tertiary institutions (see attached list)		
TOTAL	75,650,000	
		57,400,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	38,691,000	2,748,460
Bursary – tertiary institutions (see attached list)	24,132,000	2,272,800
Bursary – special schools (see attached list)	-	
Mock & CAT (see attached list)	-	
Social Security programmes (NHIF)		
Security projects (see attached list)	4,300,000	1,300,000
Sports projects (see attached list)	2,702,605	4,904,320
Environment projects (see attached list)	2,735,440	2,085,241
Emergency projects (see attached list)	7,280,960	9,455,336
Total	79,842,005	22,766,157

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Overhaul 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		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total		

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan		
ICT Hub		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Co-operative Bank Account No. 01141423029200</i>	27,504,627.55	36,017,500
	-	
Total	27,504,628	36,017,500
10B: CASH IN HAND		
Location 1		
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total		
<i>[Provide cash count certificates for each]</i>		

11: OUTSTANDING IMPRESTS

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

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

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)		
Retention held during the year (B)		
Retention paid during the Year (C)		
Closing Retention as at 30 th June D= A+B-C		

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)		
Gratuity held during the year (B)		
Gratuity paid during the Year (C)		
Closing Gratuity as at 30 th June D= A+B-C		

[Provide short appropriate explanations as necessary]

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13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	36,017,500	3,539,887
Cash in hand		
Imprest		
Total	36,017,500	3,539,887

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances			1,363,109.00
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			
TOTAL			1,363,109.00

****** *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 IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)		
Imprest issued during the year (B)		
Imprest surrendered during the Year (C)		
closing accounts in account receivables D= A+B-C		

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16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)		
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		
closing account payables D= A+B-C		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	518,400	
Others (<i>specify</i>)		
	518,400	

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	74,213	1,526,019
Use of goods and services	1,762	548
Amounts due to other Government entities (see attached list)	53,878,476	58,265,367
Amounts due to other grants and other transfers (see attached list)	16,062,029	42,131,154
Acquisition of assets	500,000	500,000
Others (<i>specify</i>)	4,677,027	4,677,027
Funds pending approval		
	75,193,507	106,022,115

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	666,142	923,360.63
	666,142.	923,360.63

KITUTU CHACHE NORTH Constituency
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount A	Date Contracted B	Amount Paid To-Date c	Outstanding Balance 2020 d=a-c	Comments
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.					
11.					
12.					
Sub-Total					
Grand Total					

KITUTU CHACHE NORTH Constituency
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
Julius Angwenyi	Clerk of Works	01.08.2018	90,000	
Jared G.Simi	Accounts Clerk	01.08.2018	50,400	
Joshua Nyariki	Driver	01.08.2018	64,800	
Lameck Ogumbo	Offic Secretary	01.08.2018	54,000	
Evans Omwenga	Clerk	01.08.2018	43,200	
Judith Kemunto	Clerk	01.08.2018	43,200	
Samwel Onsongo	Daytime Guard	01.08.2018	43,200	
Japhet Mose	Messenger	01.08.2018	43,200	
Dorcas Nyaboke	Clerk	01.08.2018	43,200	
Edward Mayaka Nyarondia	Messenger	01.08.2018	43,200	
	Sub-Total		518,400	
	Grand Total			

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		74,213	1,526,019	
Use of goods & services		1,762	548	
Amounts due to other Government entities				
Primary Schools				
Entanda Girls Boarding	Primary School Projects	900,000		
Gesangora Primary School	Primary School Projects	600,000		
Isanta primary school	Primary School Projects	300,000		
Nyakome primary school	Primary School Projects	600,000		
Rikenye primary school	Primary School Projects	100,000		
Maroma primary school	Primary School Projects	100,000		
Eramba primary school	Primary School Projects	500,000		
Nyamwanga primary school	Primary School Projects	100,000		
Kiamogore primary school	Primary School Projects	100,000		
Nyansaga primary school	Primary School Projects	350,000		
Sensi primary school	Primary School Projects	500,000		
Engotogoti primary school	Primary School Projects	250,000		
Nyabworoba primary school	Primary School Projects			

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
		500,000		
Nyakeiri primary school	Primary School Projects	300,000		
Mesaria primary school	Primary School Projects	850,000		
Omoenga primary school	Primary School Projects	500,000		
Nyagesenda primary school	Primary School Projects	500,000		
Rioma primary school	Primary School Projects	300,000		
Getionko 1 Primary School	Primary School Projects	500,000		
Metembe primary school	Primary School Projects	100,000		
Nyansakia special School	Primary School Projects	400,000		
Ngokoro primary	Primary School Projects	100,000		
Tambacha primary school	Primary School Projects	100,000		
Riragi primary School	Primary School Projects	500,000		
Kenyoro primary school	Primary School Projects	100,000		
Eronge primary school	Primary School Projects	100,000		
Motonto primary school	Primary School Projects	500,000		
Samogara Primary School	Primary School Projects	100,000		
Nyankanda Primary School	Primary School Projects	950,000		

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Itibo Boys Primary Boarding	Primary School Projects	500,000		
Nyakeyo Primary School	Primary School Projects	400,000		
Monyerero Primary School	Primary School Projects	500,000		
Masakwe Primary School	Primary School Projects	1,500,000		
nyakenogo Primary School	Primary School Projects	500,000		
Maagonga Resource Centre	Primary School Projects	500,000		
Totals		14,700,000	17,450,000	
Secondary Schools				
Nyasore secondary	Secondary Schools Projects	500,000		
St Monica Girls Marani secondary school	Secondary Schools Projects	950,000		
Geturi secondary school	Secondary Schools Projects	300,000		
Nyakeiri secondary school	Secondary Schools Projects	600,000		
Mesaria secondary school	Secondary Schools Projects	300,000		
Nyagesenda secondary school.	Secondary Schools Projects	75,976		
Rioma secondary school	Secondary Schools Projects	1,500,000		
Engoto secondary school	Secondary Schools Projects	500,000		
Metembe secondary school	Secondary Schools Projects	600,000		
Nyakoora secondary school	Secondary Schools Projects	502,500		
Kenyo secondary school	Secondary Schools Projects	190,000		
Ngenyi girls' secondary school	Secondary Schools Projects	500,000		
Itibo boys secondary	Secondary Schools Projects	100,000		
Nyansakia Secondary School	Secondary Schools Projects	800,000		
Nyakeyo Secondary School	Secondary Schools Projects	7,950,000		

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Mosocho Secondary School	Secondary Schools Projects	7,250,000		
Engoto Secondary School	Secondary Schools Projects	7,250,000		
Eramba Secondary School	Secondary Schools Projects	7,250,000		
Entanda Secondary School	Secondary Schools Projects	100,000		
Nyagoto Secondary School	Secondary Schools Projects	500,000		
Manyansi Secondary School	Secondary Schools Projects	740,000		
Gamba Secondary School	Secondary Schools Projects	240,000		
Tambacha Secondary School	Secondary Schools Projects	240,000		
Nyakome Secondary School	Secondary Schools Projects	240,000		
Total		39,178,476	40,815,367	
Sub-Total		53,878,476	58,265,367	
Amounts due to other grants and other transfers				
Bursary	Bursary Secondary	110,651		
Bursary	Bursary Tertiary	6,274,398		
Social Security	To cater for NHIF	4,033,187		
	Total	10,418,236	36,349,594	
Sports	Sports Activities	55,568	52,037	
Emergency	Emergency Projects	781,768	870,521	
Environment	Environment Projects	6,338		
Security				
Mwakibagendi chief's office	Security Projects	300,000		
Gesieka AP line	Security Projects	400,000		
Mwagichana chief's office	Security Projects	600,000		
Marani D.C.C.'s Residence	Security Projects	1,000,000		
Kiong'anyo chief's office	Security Projects	300,000		
Bumburia ap line	Security Projects	900,000		
Matongo chief's office	Security Projects	500,000		
Megogo chief's office	Security Projects	300,000		
Totals		4,800,000	4,859,002	
Sub-Total		16,062,029	42,131,154	
Acquisition of assets		500,000	500,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Others (specify)				
Constituency Innovation Hub		4,677,027	4,677,027	
Funds pending approval		75,193,507	106,022,155	
Grand Total		5,177,027	5,177,027	
Sub-Total		5,177,027	5,177,027	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land				
Buildings and structures	15,816,348.00	-		15,816,348.00
Transport equipment	6,150,000.00	-	-	6,150,000.00
Office equipment, furniture and fittings	3,293,130.00	-	-	3,293,130.00
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	25,259,478.00	-	-	25,259,478.00

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Engoto PAG Mixed Sec. Sch	Co-operative Bank	01141018453200	134,045.00	3,195.00
Engotogoti DOK Pri. Sch	Co-operative Bank	01139017521202	5572.50	3,772.50
Eramba Mixed Sec. Sch	Co-operative Bank	01141019667700	3327.00	2,645.00
Eronge DEB Primary Sch	Co-operative Bank	01117671429200	1440.00	2,340.00
Gesangero DOK Pri Sch	Co-operative Bank	01141017082700	2075.00	2,195.00
Gesieka AP Line	Co-operative Bank	01109671377900	2975.00	1,275.00
Getionko I DEB Primary Sch	Co-operative Bank	01141017519700	10793.00	55.50
Joram Asanyo Mixed Sec. Sch	Co-operative Bank	01141018012000	1155.00	2,150.00
Kenyoro Sec. Sch	Co-operative Bank	01100423997900	5521.00	499,561.60
Magena DEB Primary Sch	Co-operative Bank	01117017070201	3506.00	1,266.00
Marani DOK Primary Sch	Co-operative Bank	01117017522300	1257.00	2,656.50
Masakwe Primary Sch	Co-operative Bank	01141477215200	1485.00	1,605.00
Megogo Chief's Office	Co-operative Bank	01109808540100	303490.00	3,850.00
Mesaria Mixed Sec. Sch	Co-operative Bank	01100296797100	0.00	855.00
Mesaria Primary School	Co-operative Bank	01117017073600	3556.50	1,508.00
Monyerero PAG Primary Sch	Co-operative Bank	01141423995600	12,800.00	1,725.00
Mwakibagendi West Chief's Office	Co-operative Bank	01109671146600	1620.00	1,000.00
Nyabworoba Secondary Sch	Co-operative Bank	01141017800800	168,597.00	218,770.00
Nyamokenye DEB Primary Sch	Co-operative Bank	01117017075401	1315.00	840.00
Nyamwanga DOK Pri. Sch	Co-operative Bank	01117018195900	1612.00	28,025.50

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20	
Nyandiba DEB Primary Sch	Co-operative Bank	0111701707510 1		4,920.00	
Nyangonyi ELCK Sec Sch	Co-operative Bank	0110001909760 1		68,130.36	
Nyankanda DOK Primary Sch	Co-operative Bank	0111742353200 0		2,140.00	
Nyansakia PAG Mixed Sec Sch	Co-operative Bank	0111701852720 0		1,302.67	
Nyasore SDA Primary Sch	Co-operative Bank	0111701752200 2		1,240.00	
Omoenga Primary Sch	Co-operative Bank	0114167076530 0		1,966.00	
Ragogo DEB Primary Sch	Co-operative Bank	0111701751980 1		1,000.00	
Rikenye DOK Primary Sch	Co-operative Bank	0111701751950 1		4,650.00	
Rioma Mixed Sec Sch	Co-operative Bank	0113901784880 3		20,090.00	
Sensi SDA Primary Sch	Co-operative Bank	0114107521100		-	
St. Paul's Nyankanda Sec. Sch	Co-operative Bank	0110001726510 0		471.00	
Tambacha COG Sec Sch	Co-operative Bank	0113901746610 5		38,160.00	
Total			666,142.	923,360.63	

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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	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.Cash and cash equivalent	Bank balance as at 30 th June 2017 amounted Kshs.20,829, 385.50 as at 30 th June 2017 However, a review of bank reconciliation statements reflects a cash book balance of Kshs.15,783,015.95 leading to an reconciled difference of Kshs. 5,046,369.55. Further, the reconciliation statement includes several unrepresented stale cheques amounting to Kshs.2,129,499 that were issued in the financial year under review and prior years that had not been reversed in the cashbook.	<i>The Cash Book balance at the end of the 2016/2017 financial year was Ksh. Kshs.20,829,385.50 as reported in the Financial Statements, this is supported by both Cash Book and June 2017 Bank Reconciliation Statement. We noted that Bank Reconciliation initially submitted was erroneous. We hereby forward the correct</i>	Fund Manager and Accountant	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>Bank Reconciliation as at 30th June 2017.</p> <p>On the issue of un-presented cheques, we would like to state that most of them relate to bursary issued to various institution but had not been presented, since these cheques are now stale the committee has directed the Sub County Accountant to reverse the cheques for new allocation and payments. The committee has made a minute resolution to reverse all stale cheques immediately.</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.Payment Not Adequately Supported	Included in the use of goods and services balance of Ksh.8,608, 829 is amount of Kshs. 1500,000 other committee allowances out of which Kshs.940,000 was spent in various activities which were not adequately supported by necessary reports	<i>The management usually keeps all reports and minutes in files at their respective file in office. Bulky reports these are in most cases not attached to the voucher but reference is made to the respective files kept in which they are kept. The respective minutes were delivered to auditor for verification</i>	Fund Account Manager	Resolved	
3.Project Expenditure Returns	The Constituency Development Committee disbursed a total of Kshs.44, 229, 312 being transfers to other Government units in the year under review. However disbursement totaling Kshs.1, 300, 000 to two primary schools and a secondary school did not agree with schedules submitted for audit review	<i>We are following up with the schools to account for Kshs.376, 230 and since head teachers are currently in Mombasa for the annual (Kenya Primary</i>	Fund Account Manager	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>totaling Kshs,923,770.The resultant variance of Kshs.376,230 has not been reconciled or explained.</p>	<p>Schools Association) KEPSHA Heads meeting they have now promised to provide the documents once they arrive. Once we receive the documents we will avail them to your office.</p>			