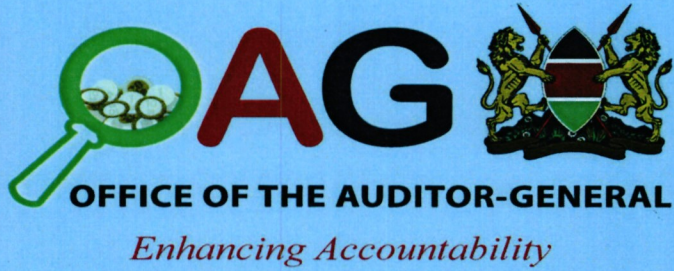
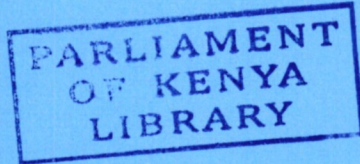


REPUBLIC OF KENYA



**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND - NYARIBARI CHACHE  
CONSTITUENCY**

**FOR THE YEAR ENDED**

**30 JUNE, 2021**

01 DEC 2022

Thursday

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OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
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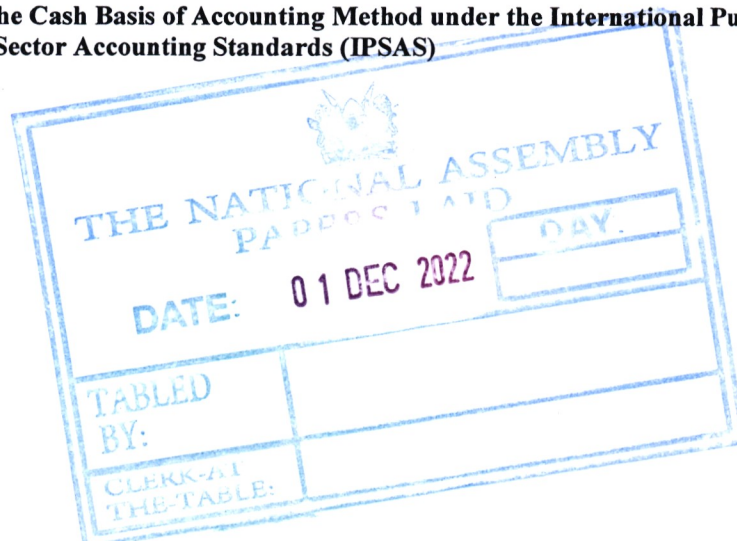
**NYARIBARI CHACHE CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES**  
**DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



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

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

**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

*Nyaribari Chache Constituency  
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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 NYARIBARICHACHE 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 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Jared O.Bosire
2.	Sub-County Accountant	Benjamin Oino
3.	Chairman NGCDFC	Raymond SamwelMachogu
4.	Member NGCDFC	Esther RatemoMonda

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 78 -40212  
NG –CDF Office Building  
KEUMBUNYARIBARI CHACHE Constituency NGCDF  
**Contacts**  
Telephone: (254) 728 731132  
E-mail: [cdfnyaribarichache@ngcdf.go.ke](mailto:cdfnyaribarichache@ngcdf.go.ke)  
Website: [www.cdf.go.ke](http://www.cdf.go.ke)

**(f) NGCDF NYARIBARI Chache Constituency Bankers**

Equity Bank  
Account no. 0510294577003  
Kisii Branch  
P.O Box 2775-40200

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

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**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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

**II. NG-CDFC CHAIRMAN'S REPORT**



**RAYMOND SAMWEL MACHOGU  
CHAIRMAN NYARIBARI CHACHE NG-CDFC**

In 2020-2021 FY Nyaribari Chache NG-CDF had a final budget of Kshs. 210,667,002. The constituency utilized Kshs 146,996,764 out of the Kshs. 174,207,636 that was disbursed from the NG-CDF Board. The 69.8% low utilization of the final budget was occasioned by delays by other technical departmental heads such as the Public work officers in coming up with documents to enable implementation of projects at the PMC level.

**KEY ACHIEVEMENTS BY NGCDF NYARIBARI CHACHE**

Some of the Key achievements of constituency were projects that were ongoing as per the time the constituency held a by-election. They are as shown below;

*Fig 1: St. Joseph Bobaracho Mixed Secondary School*  
**Construction of school infrastructure – Construction of administration block, 2 No. classrooms, Computer lab and Library**

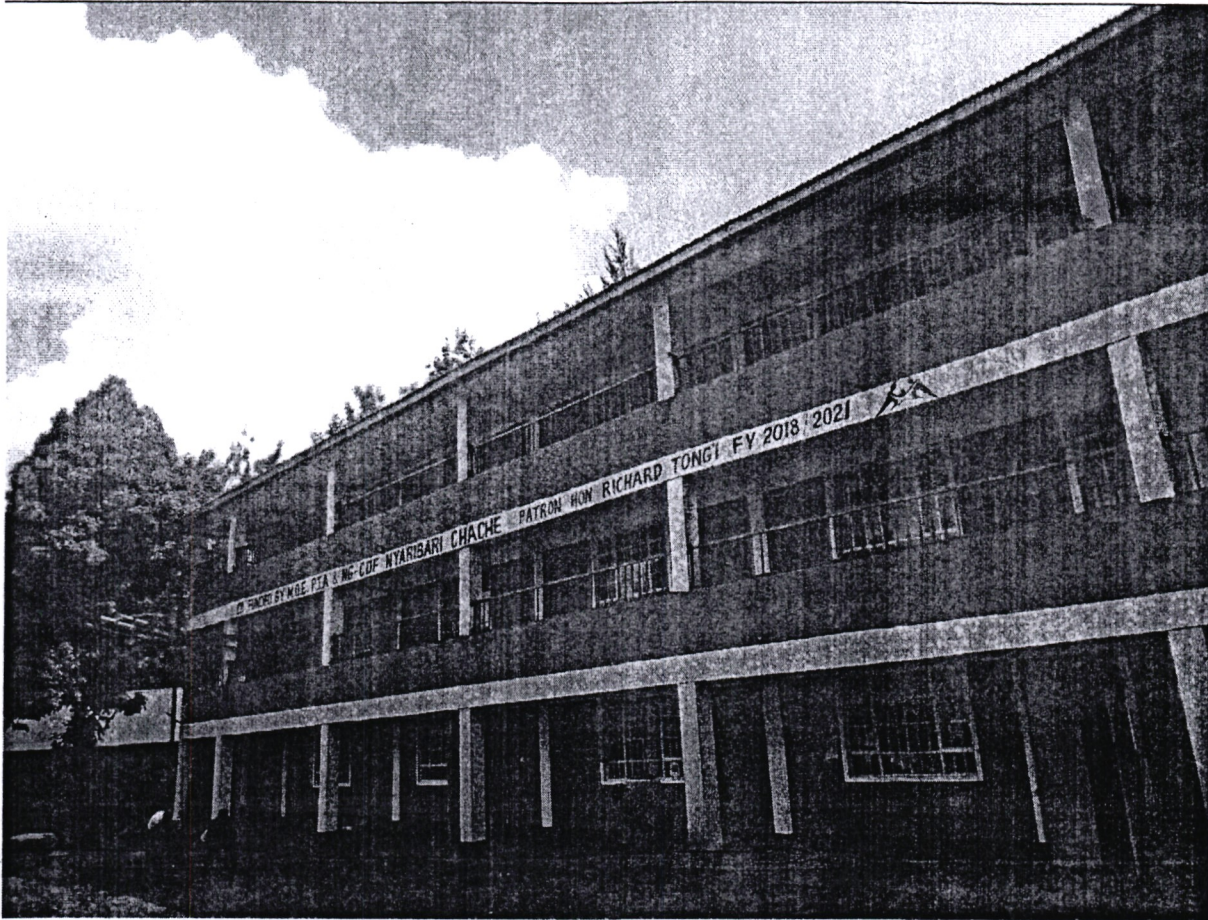
F/Y 2018/2019- Kshs. 1,939,911.50

F/Y 2019/2020- Kshs. 4,100,000.00

F/Y 2020/2021- Kshs. 1,100,000.00

**Total                    7,139,911.52**

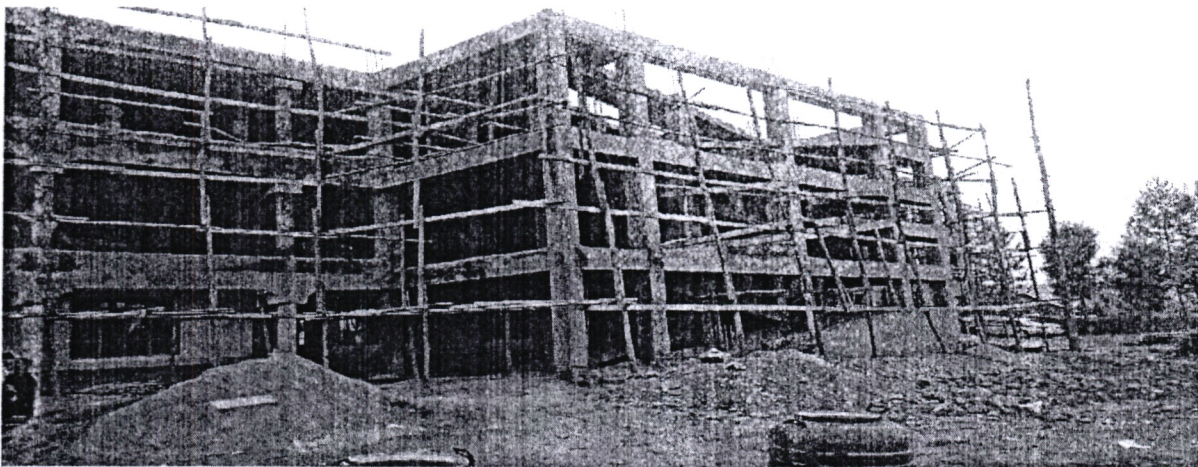
The project is now complete and in use. It has attracted more students enrolling to the school and we are looking forward for a better performance



*Fig 1: St. Joseph Bobaracho Mixed Secondary School*

*Fig 2: Ibeno Kmtc Campus-Phase Ii-On Going Project-Ongoing Project*

**Construction of Tertiary institutions/infrastructure** –Construction of a storey tuition block phase II-4 lecture halls on 1<sup>st</sup> Floor, 4 lecture halls on 2<sup>nd</sup> Floor to Completion-Project Ongoing  
F/Y 2019/2020-Kshs. 15,500,000/=; F/Y 2020/2021-Kshs. 6,150,000/= Phase III  
(Construction of 4 lecture halls on 3<sup>rd</sup> floor with a roof to completion)



*Fig 2: IbenoKmtc Campus-Phase II & III-On Going Project-Ongoing Project*



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

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***EMERGING ISSUES IN NYARIBARI CHACHE CONSTITUENCY***

There have been emerging issues in NyaribariChache Constituency like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project and the latest being the Covid-19 Pandemic that affected the issuance of bursary disbursement to various institutions, engagement in sporting activities.

**IMPLEMENTATION CHALLENGES**

Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals and reallocations.

**Signature**



**CHAIRMAN NGCDF COMMITTEE**

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

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

**Introduction**

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

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

- a) Improve Education and in particular school infrastructures
- b) Help in security and in particular building Chiefs and Assistant Chiefs offices and administration police posts
- c) Improve water and environment especially provision of water and protection of communal water springs and rivers/streams.
- d) Develop Roads infrastructure in particular national and security roads
- e) Improve market centres to spur economic activities
- f) Sports: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports.

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels	In FY 2020/21 -15 classrooms constructed -- Over 3500 students benefited from bursary
Security	To ensure construction of chief's office and police stations and	Improved security within the constituency	- number of chief's office and police stations/posts	In FY 2020/21 -3 chief's office constructed -1 AP Line constructed

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

	security lights			
Environment	To ensure conservation of environment and availability of water	Improved environmental safety and access to water	- number of tanks installed, energy saving jikos	In FY 2020/2021 environment activities were not implemented due to delay of disbursement of funds and follow of priority list
Sports	To organize Constituency sports tournament and award of balls and uniforms to the participating teams	Improved sport performance at the constituency level	- tournaments held, uniforms and balls awarded to participants	In FY 2020/21 sports activities not conducted due Covid-19 Pandemic
Emergency	To cater for urgent and unforeseen occurrences in the constituency	Improved infrastructure in the schools and wellbeing of the learners	- No. of structures build that have emergencies	In FY 2020/21 -4 schools with door pit latrines constructed that had collapsed

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

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

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

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

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

- *NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

### **3. Employee welfare**

We invest in providing the best working environment for our employees. NyaribariChache 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. NYARIBARICHache constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

### **4. Market place practices-**

Nyaribari Chache 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-**

Nyaribari Chache 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.

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

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**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.

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

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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.

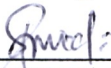
The Accounting Officer in charge of the NGCDF-Nyaribari Chache Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 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.

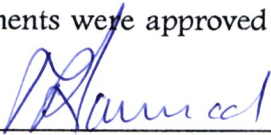
The Accounting Officer in charge of the NGCDF-Nyaribari Chache Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting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

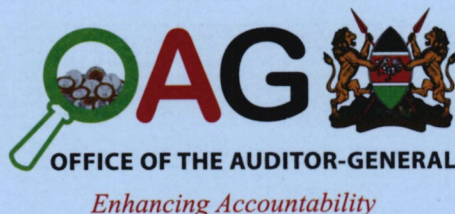
The NGCDF- Nyaribari Chache Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2021.

  
\_\_\_\_\_  
Chairman NGCDF Committee  
Name: Raymond S. Machogu

  
\_\_\_\_\_  
Fund Account Manager  
Name: Jared Ondemo Bosire

# REPUBLIC OF KENYA

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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 - NYARIBARI CHACHE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021**

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### **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**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyaribari Chache Constituency set out on pages 15 to 48, which comprise of the statement of assets and liabilities as at 30 June, 2021, and



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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Nyaribari Chache Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituency Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Unsupported Use of Goods and Services**

The statement of receipts and payments reflects use of goods and services of Kshs.16,521,323 as disclosed in Note 5 to the financial statements. The amount includes committee expenses (allowances) of Kshs.8,900,000 out of which Kshs.5,650,000 was spent on monitoring and evaluation. However, this amount was not supported with back to office reports. In addition, the amount includes other committee expenses of Kshs.6,000,000 out of which Kshs.1,250,000 should have been classified under committee allowances line item.

In the circumstances, the accuracy and completeness of the use of goods and services amount of Kshs.14,900,000 could not be confirmed.

#### **2. Unsupported Prior Year Adjustment**

The statement of assets and liabilities reflects a prior year adjustment balance of Kshs.3,375,742 while Note 14 to the financial statements reflects Nil balance resulting to an unexplained variance of Kshs3,375,742. In addition, the presentation is not in line with International Public Sector Accounting Standard (IPSAS) 3 which requires all prior year adjustments to be effected through the previous period balances.

In the circumstances, the accuracy of prior year adjustment balance of Kshs.3,375,742 could not be confirmed.

#### **3. Inaccuracies in the Cash and Cash Equivalent Balance**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.32,612,061. However, the bank reconciliation statement reflects unrepresented cheques of Kshs.17,291,514 which includes stale cheques totaling to Kshs.488,343 which had not been reversed in the cashbook.

In the circumstances, the accuracy and completeness of cash and cash equivalent balance of Kshs.32,612,061 could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts and actuals on comparable basis of Kshs.210,667,002 and Kshs.176,478,123 respectively, resulting to an under-funding of Kshs.34,188,880 or 16% of the budget. Similarly, the statement reflects final budget and actual expenditure on comparable basis of Kshs.210,667,002 and Kshs.147,241,804 respectively, resulting to an under-expenditure of Kshs.63,425,198 or 30% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections 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. Lack of Specifications for School Buses**

A review of documents revealed that an amount of Kshs.14,400,000 was transferred to Machongo and Nyansara Secondary schools for the supply of two (2) 51-seater school buses at a cost of Kshs.7,200,000 each. However, tender documents provided for audit did not contain detailed specifications which formed basis of the tender award.

In the circumstance, value for money on the expenditure of Kshs.14,400,000 incurred in the procurement of the buses could not be confirmed.

## **2. Incomplete Administration Block Project**

During the year under review the Fund transferred an amount of Kshs.1,320,835 to Boronyi Secondary School for the construction of a one-storey administration block which was co-funded with the Ministry of Education. However, the scope of works for each party was not defined. Further, audit inspection in April, 2022 revealed that the building was not complete and the contractor was not on site.

In the circumstances, value for money on the expenditure of Kshs.1,320,835 incurred in the construction of the administration block could not be confirmed

## **3. Failure to Label Completed Projects**

During the year under review the Fund spent Kshs.1,500,000 on the construction of a six (6) door pit latrine at Nyabiosi Secondary School and a storey dormitory at Nyanko Secondary School. The projects were verified on 20 April, 2022 to be completed but not labelled. This was contrary to Regulation 11(1)(cc) of the National Government Constituencies Development Regulations, 2016 which requires a Constituency Committee to ensure that projects are labelled in accordance with the guidelines issued by the Board.

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

## **4. Unsupported Contract Variation in Construction of Tuition Block**

The amount of transfers to other Government units of Kshs.58,637,901 includes transfers to tertiary institutions amount of Kshs.3,891,918 for the construction of a tuition block-Phase II at Kenya Medical Training College, Ibeno Campus at contract sum of Kshs.15,559,440. However, review of the project file revealed cost variation of Kshs.2,278,847 or 15% of the contract amount without justification. Further, audit inspection in April 2022 revealed that the project had not been completed.

In the circumstances, value for money of the expenditure of Kshs.3,891,918 incurred in construction of a tuition block could not be confirmed.

## **5. Improperly Constituted Bursary Fund Committee**

The Fund Bursary Committee was constituted by four (4) members being the chairperson, assistant chairperson and two (2) other members excluding the area Education Officer or a co-opted member from the Ministry of Education. This was contrary to the requirements of the NG-CDF Board Secretariat's Guidelines for management of bursary under the Standard Procedures Section (4) which requires that a sub-committee of the Constituency Development Fund Committee (CDFC) be formed to manage the bursary scheme, including two (2) co-opted members, one who must be the area Education Officer or an officer seconded by the Ministry.

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

## **6. Unsupported Sports Expenditure**

The statement of receipts and payments reflects other grants and transfers balance of Kshs.57,964,000 as disclosed in Note 7 to the financial statements. The balance includes sports projects amount of Kshs.4,550,000 out of which Kshs.3,497,000 was spent on purchase of sporting equipment. However, records of receipt and issue of this equipment were not provided for audit.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**


**29 September, 2022**

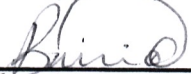
*Nyaribari Chache Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

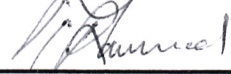
**VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	174,207,636	95,131,726
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>174,207,636</b>	<b>95,131,726</b>
<b>PAYMENTS</b>			
Compensation of employees	4	4,118,580	2,889,900
Use of goods and services	5	16,521,323	16,621,788
Transfers to Other Government Units	6	58,637,901	55,640,063
Other grants and transfers	7	57,964,000	25,992,000
Acquisition of Assets	8	10,000,000	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>147,241,804</b>	<b>101,143,751</b>
<b>SURPLUS/(DEFICIT)</b>		<b>26,965,832</b>	<b>(6,012,025)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NyaribariChache Constituency financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Jared O. Bosire

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Benjamin Oino  
ICPAK M/No:

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Samwel Machogu

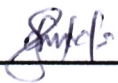


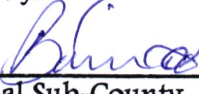
*Nyaribari Chache Constituency  
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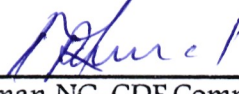
**VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	32,612,061	2,270,487
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>32,612,061</b>	<b>2,270,487</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>32,612,061</b>	<b>2,270,487</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>32,612,061</b>	<b>2,270,487</b>
<b>NET FINANCIAL ASSETS</b>		<b>32,612,061</b>	<b>2,270,487</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	13	2,270,487	8,282,512
Prior year adjustments	14	3,375,742	-
Surplus/Deficit for the year		26,965,832	(6,012,025)
<b>NET FINANCIAL POSITION</b>		<b>32,612,061</b>	<b>2,270,487</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nyaribari Chache Constituency financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Jared O. Bosire

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Benjamin Oino  
ICPAK M/No:

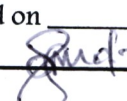
  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Samwel Machogu

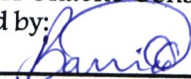
*Nyaribari Chache Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

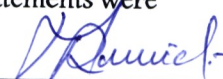
**15. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021**

		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	174,207,636	95,131,726
Other Receipts	3		-
<b>Total receipts</b>		<b>174,207,636</b>	<b>95,131,726</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	4,118,580	2,889,900
Use of goods and services	5	16,521,323	16,621,788
Transfers to Other Government Units	6	58,637,901	55,640,063
Other grants and transfers	7	57,964,000	25,992,000
Other Payments	9	-	
<b>Total payments</b>		<b>137,241,804</b>	<b>101,143,751</b>
<b>Total Receipts Less Total Payments</b>		<b>36,965,832</b>	<b>(6,012,025)</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	3,375,742	-
<b>Net cash flow from operating activities</b>		<b>40,341,574</b>	<b>(6,012,025)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	10,000,000	-
<b>Net cash flows from Investing Activities</b>		<b>(10,000,000)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>30,341,574</b>	<b>(6,012,025)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	<b>2,270,487</b>	<b>8,282,512</b>
<b>Cash and cash equivalent at END of the year</b>		<b>32,612,061</b>	<b>2,270,487</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nyaribari Chache Constituency financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
Fund Account Manager  
Name: Jared O. Bosire

  
National Sub-County  
Accountant  
Name: Benjamin Oino  
ICPAK M/No:

  
Chairman NG-CDF Committee  
Name: Raymond S. Machogu

**Nyaribari Chache 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 %
<b>RECEIPTS</b>	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
Transfers from NGCDF Board	Kshs 137,088,879		Kshs 71,307,636	Kshs 210,667,002	Kshs 176,478,123	Kshs 34,188,880	83.8%
Proceeds from Sale of Assets							
Other Receipts							
<b>TOTALS</b>	<b>137,088,879</b>	<b>2,270,487</b>	<b>71,307,636</b>	<b>210,667,002</b>	<b>176,478,123</b>	<b>34,188,880</b>	<b>83.8%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,978,722	270,487	1,100,000	5,349,209	4,118,580	1,175,669	77.0%
Use of goods and services	8,359,278		8,300,000	16,659,278	16,521,323	137,955	99.2%
Transfers to Other Government Units	49,682,009	2,000,000	20,000,000	71,682,009	58,637,901	12,244,108	82.2%
Other grants and transfers	75,068,871		31,907,636	106,976,507	57,964,000	50,112,507	54%
Acquisition of Assets	-		10,000,000	10,000,000	10,000,000		100%
Other Payments	-						
Funds pending approval**	-						
<b>TOTALS</b>	<b>137,088,879</b>	<b>2,270,487</b>	<b>71,307,636</b>	<b>210,667,002</b>	<b>147,241,804</b>	<b>63,425,198</b>	<b>69.8%</b>


*\*\*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*

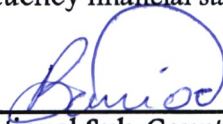
*Nyaribari Chache Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

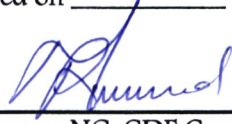
- i. Compensation of employees is underutilized since the unspent funds is gratuity payable to staff from previous financial years.
- ii. Transfer to other government units is underutilized since funds have not been disbursed for projects.
- iii. Other grants and transfers are underutilized because funds have not been disbursed by the board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	63,425,198
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2021	34,188,879
	29,236,319
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	3,375,742
Cash and Cash Equivalents at the end of the FY 2020/2021	32,612,061

The NGCDF-NyaribariChacheConstituency financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Jared O. Bosire

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Benjamin Oino  
ICPAK M/No:

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Raymond S. Machogu

Nyaribari Chache 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 FOR THE YEAR ENDED 30 JUNE 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,978,722			3,978,722	4,173,540	(194,818)
1.2 Committee allowances	2,446,611			2,446,611	2,400,000	46,611
1.3 Use of goods and services	1,800,000	2,270,487		4,070,487	4,070,487	-
<b>Total</b>	<b>8,225,333</b>	<b>2,270,487</b>	<b>-</b>	<b>10,495,820</b>	<b>10,644,027</b>	<b>(148,207)</b>
2.0 Monitoring and evaluation						
2.1 Capacity building	1,191,634.66			1,191,635	1,100,000	91,635
2.2 Committee allowances	1,800,000.00			1,800,000	1,800,000	-
2.3 Use of goods and services	1,121,031.72			1,121,032	1,100,835	20,197
<b>Total</b>	<b>4,112,666</b>	<b>-</b>	<b>-</b>	<b>4,112,666</b>	<b>4,000,835</b>	<b>111,831</b>
3.0 Emergency						
3.1 Primary Schools	1,717,207			1,717,207	1,700,000	17,207
<b>Total</b>	<b>1,717,207</b>			<b>1,717,207</b>	<b>1,700,000</b>	<b>17,207</b>
3.2 Secondary Schools						
Monuri primary school	300,000			300,000	300,000	-
Riomweri primary school	465,000			465,000	465,000	-

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

Nyangenji DOK Primary	300,000			300,000	300,000			-
St Vincent De paulnyanko sec	480,000			480,000	480,000			-
Amasago Primary School	200,000			200,000	200,000			-
Kegati Primary School	300,000			300,000	300,000			-
Kisiti Primary School	250,000			250,000	250,000			-
Nyaboribonge Primary School	200,000			200,000	200,000			-
Ibeno COG Primary School	200,000			200,000	200,000			-
Inani SDA Primay School	500,000			500,000	500,000			-
Gianchere Friends special primary	250,000			250,000	250,000			-
Nyankororo Secondary School	350,000			350,000	350,000			-
Keoke Secondary School	300,000			300,000	300,000			-
Birongo Secondary School	300,000			300,000	300,000			-
Nyabiosi Secondary School	380,000			380,000	380,000			-
Irondi Secondary School	350,000			350,000	350,000			-
Nyamware Secondary School	350,000			350,000	350,000			-
<b>Total</b>	<b>7,192,207</b>	<b>-</b>	<b>-</b>	<b>7,192,207</b>	<b>7,175,000</b>			<b>17,207</b>
<b>4.0 Bursary and Social Security</b>								
<b>4.1 Primary Schools</b>								
<b>4.2 Secondary Schools</b>								
4.3 Tertiary Institutions/ universities	8,000,000		1,204,400	9,204,400	9,230,000			(25,600)
<b>Total</b>	<b>26,893,109</b>	<b>-</b>	<b>9,029,000</b>	<b>35,922,109</b>	<b>35,854,000</b>			<b>68,109</b>
	<b>34,893,109</b>	<b>-</b>	<b>10,233,400</b>	<b>45,126,508</b>	<b>45,084,000</b>			<b>42,508</b>

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

5.0 Sports									
Sports									
Total	2,741,778		1,847,354	4,589,132	4,550,000	39,132			
5.3	2,741,778	-	1,847,354	4,589,132	4,550,000	39,132			
6.0 Environment									
6.1 Kisii Police Station									
6.2 Kiogoro Assistant County Commissioner's Offices	1,370,889		1,168,167	2,539,056	500,000	2,039,056			
Total	2,741,778	-	2,336,335	5,078,113	3,000,000	2,078,113			
7.0 Primary Schools Projects (List all the Projects)									
Amasago Primary School	800,000			800,000	650,000	150,000			
Birongo Primary School	300,000			300,000	300,000	0			
Boronyi Primary School	500,000			500,000	400,000	100,000			
Chirenge Primary School	500,000			500,000	400,000	0			
Chirichiro Primary School	400,000			400,000	550,000	0			
Eremo Primary School	550,000			550,000	550,000	0			
Gesere Primary School	300,000		250,000	550,000	550,000	0			
Getere Primary School	300,000		200,000	500,000	500,000	0			
Getungurumu Primary School	300,000			300,000	300,000	0			
Giancher Friends Special School				0	150,000				
Ibemo Mission Primary School	1,100,000			1,100,000	200,000	900,000			
Inanisda Primary School	550,000		350,000	900,000	900,000	0			
Irondi Primary School				0	400,000				
Irungu Primary School				0	500,000				
Kabwori Primary School	550,000			550,000	500,000	50,000			
Kari Primary School	300,000			300,000	300,000	0			

**Nyaribari Chache Constituency**  
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**Reports and Financial Statements for The Year Ended June 30, 2021**

Kegathi Primary					0	500,000	
Kerera Central Primary School	1,200,000			1,200,000	1,100,000	100,000	
Kamabundu Primary				0	600,000		
Kianate Primary School	300,000		550,000	850,000	850,000	0	
Kiogoro Primary				0	300,000		
Kionganyo Milimani Primary				0	500,000		
Maburi Primary				0	1,000,000		
Matunwa Primary School	1,200,000			1,200,000	500,000	700,000	
Mogorora Primary School	800,000			800,000	800,000	0	
Monuri Deb Primary				0	600,000		
Nyabiuto Primary School	400,000			400,000		400,000	
Nyaboribonge Primary School	300,000		150,000	450,000	450,000	0	
Nyakebako Primary School	300,000		250,000	550,000	550,000	0	
Nyamage Primary School	1,200,000			1,200,000		1,200,000	
NyamagwasDA PRIMARY				0	800,000		
Nyamecheo Primary School	1,200,000			1,200,000	300,000	900,000	
Nyancheha Primary School	300,000		400,000	700,000	700,000	0	
Nyanderema Primary				0	500,000		
Nyanderema Primary School	500,000			500,000		500,000	
NyangeniDok Primary				0	300,000		
Nyangeni DOK Primary School	300,000			300,000		300,000	
Nyanguru Primary				0	300,000		
Nyankororo Primary				0	300,000		
Nyaura Primary				0	500,000		
Nyaura Primary School	550,000			550,000	550,000	0	
Riabarnanyi primary				0	300,000		
Riamokwohe Primary School	4,900,000			4,900,000		4,900,000	
Riangabi Primary School	1,632,009			1,632,009	800,000	832,009	





**Nyaribari Chache Constituency**  
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Masongo Secondary School	1,100,000				1,100,000	300,000	800,000
Matunwa Secondary School	7,200,000		150,000		7,350,000	1,200,000	6,150,000
Nyabiosi Sec School						1,150,000	
Nyaguta sec			150,000		150,000	150,000	0
Nyaguta sec			400,000		400,000	400,000	0
Nyamagwa mixed sec			400,000		400,000	400,000	0
Nyamecheo chiefs office			800,000		800,000	800,000	0
Nyamemiso sec school			7,600,000		7,600,000	7,600,000	0
Nyamware sec			150,000		150,000	150,000	0
Nyanchwa boys			150,000		150,000	150,000	0
Nyanchwa Boys			500,000		500,000	500,000	0
Nyanko Secondary School	1,300,000				1,300,000		1,300,000
Nyanzira sec			150,000		150,000	150,000	0
Nyataro sec school			300,000		300,000	300,000	0
Nyosia Mixed Sec			350,000		350,000	350,000	0
Our Lady of Victory Nyabiosi Secondary School	900,000				900,000		1,800,000
Ritabanyiri Secondary School	3,000,000				3,000,000	4,190,624	1,809,376
Riamokobe SDA					3,000,000	300,000	2,700,000
Rikendo sec					2,000,000	2,000,000	0
Riondonga sec					150,000	150,000	0
ST alexanderNyamecheo sec					500,000	500,000	0
St vincent De paulnyanko sec					1,300,000	1,300,000	0
St. Peters Kerera Sec. School					500,000		500,000
Taracha sec school					500,000	500,000	0
Withholding Tax					45,000	45,000	0
<b>Total</b>	<b>21,700,000</b>				<b>6,360,747</b>	<b>35,346,083</b>	<b>21,709,376</b>
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>							

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

Ibemo KMTC Campus	6,150,000		6,150,000	6,150,000	3,891,819	2,258,181
<b>Total</b>	<b>6,150,000</b>	<b>-</b>	<b>6,150,000</b>	<b>6,150,000</b>	<b>3,891,819</b>	<b>2,258,181</b>
<b>10.0 Security Projects</b>						
Kirwa Assistant Chiefs Office	800,000		-	800,000	550,000	250,000
Nyaguta chiefs Office	600,000		-	600,000	300,000	300,000
Kegati Administration Police (AP) Line	600,000		-	600,000	300,000	300,000
Keumbu Police Post	9,000,000		-	9,000,000	1,455,000	7,545,000
Nyanko Chiefs Office	1,500,000		-	1,500,000	500,000	1,000,000
Nyanturago Magistrates Court	15,000,000		-	15,000,000		15,000,000
<b>Total</b>	<b>27,500,000</b>	<b>-</b>	<b>-</b>	<b>12,500,000</b>	<b>3,105,000</b>	<b>9,395,000</b>
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office					10,000,000	
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
<b>Total</b>					<b>10,000,000</b>	
<b>12.0 Others</b>						
12.1 Strategic Plan						
12.2 Innovation Hub						
12.2						
Funds pending approval**						

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

Nyaguta TTI				10,000,000		10,000,000
Nyanturago Magistrates court	15,000,000			15,000,000		15,000,000
<b>Total</b>	<b>137,088,879</b>	<b>2,270,487</b>	<b>71,307,636</b>	<b>210,667,002</b>	<b>146,996,764</b>	<b>63,670,237.93</b>

(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-NyaribariChache 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 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 10<sup>th</sup> June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> 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 30<sup>th</sup> 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. B047275	1		10,000,000
AIE NO. B047415	2		2,800,000
AIE NO. B047371	3		4,000,000
AIE NO. B041257	4		10,000,000
AIE NO. B047678	5		20,000,000
AIE NO. B047774	6		7,000,000
AIE NO. B049233	7		9,000,000
AIE NO. B047871	8		19,000,000
AIE NO. B049267	9		9,000,000
AIE NO. B047398	10		2,131,726
AIE NO. B041259	11		1,700,000
AIE NO. B041268	12		500,000
AIE NO. B104070	1	18,000,000	
AIE NO. B104667	2	28,000,000	
AIE NO. B104573	3	1,939,912	
AIE NO. A823710	4	23,367,724	
AIE NO. B124646	5	9,000,000	
AIE NO. B119616	6	12,000,000	
AIE NO. B128006	7	15,000,000	
AIE NO. B128247	8	6,900,000	
AIE NO. B132009	9	8,000,000	
AIE NO. B140706	10	15,000,000	
AIE NO. B126264	11	6,000,000	
AIE NO. B105050	12	10,000,000	
AIE NO. B140703	13	15,000,000	
AIE NO. B126366	14	6,000,000	
<b>TOTAL</b>		<b>174,207,636</b>	<b>95,131,726</b>

**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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Nyaribari Chache Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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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	-	-
	-	-
<b>Total</b>		

**4. COMPENSATION OF EMPLOYEES**

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,246,540	2,114,763
<b>Personal allowances paid as part of salary</b>		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	178,491
Gratuity to contractual employees	740,280	263,520
Employer Contributions Compulsory national social security schemes	131,760	333,126
<b>Total</b>	<b>4,118,580</b>	<b>2,889,900</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	8,900,000	3,550,000
Other Committee Expenses	6,000,000	
Utilities, supplies and services	-	54,221
Communication, supplies and services	-	
Fuel, oil & Lubricants	1,550,000	
Domestic travel and subsistence	-	22,224
Printing, advertising and information supplies & services		
Rentals of produced assets	-	256,471
Training expenses		
Hospitality supplies and services	-	1,630,000
Insurance costs		
Specialized materials and services	-	2,110,000
Office and general supplies and services	-	4,350,000
Other operating expenses	-	3,600,000
Bank service commission and charges		
Routine maintenance – vehicles and other transport equipment	71,323	248,406
Routine maintenance – other assets		800,466
<b>Total</b>	<b>16,521,323</b>	<b>16,621,788</b>

*Nyaribari Chache Constituency  
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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)	1,400,000	16,020,000
Transfers to secondary schools (see attached list)	35,346,083	33,017,874
Transfers to tertiary institutions (see attached list)	3,891,819	6,602,189
<b>TOTAL</b>	<b>58,637,901</b>	<b>55,640,063</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,768,000	921,000
Bursary – tertiary institutions (see attached list)	35,816,000	1,169,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	3,355,000	13,600,000
Sports projects (see attached list)	4,550,000	-
Environment projects (see attached list)		2,400,000
Emergency projects (see attached list)	5,475,000	7,902,000
<b>Total</b>	<b>57,964,000</b>	<b>25,992,000</b>

*Nyaribari Chache Constituency  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	10,000,000	-
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	-	-
<b>Total</b>	<b>10,000,000</b>	<b>-</b>

**9. OTHER PAYMENTS**

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

**Nyaribari Chache Constituency**  
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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>Name of Bank, Account No.</i>	32,612,061	2,270,487
<i>Name of Bank, Account No.</i>		
<i>Name of Bank, Account No.</i>		
<b>Total</b>	<b>32,612,061</b>	<b>2,270,487</b>
<b>10B: CASH IN HAND</b>		
Location 1		
Location 2		
Location 3		
Other Locations ( <i>specify</i> )		
<b>Total</b>	<b>32,612,061</b>	<b>2,270,487</b>
<i>[Provide cash count certificates for each]</i>		

**Nyaribari Chache Constituency**  
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**Reports and Financial Statements for The Year Ended June 30, 2021**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**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>				

**12A. RETENTION**

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

**12B. GRATUITY**

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

**13. BALANCES BROUGHT FORWARD**

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	2,270,487	8,282,512
Cash in hand		
Imprest		
<b>Total</b>	<b>2,270,487</b>	<b>8,282,512</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**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	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>TOTAL</b>	-	-	-

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST\***

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

**16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

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



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**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	-	-
Others ( <i>specify</i> )	-	-

**17.3: UNUTILIZED FUND (See Annex 3)**

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	(194,818)	1,459,060
Use of goods and services	141,237	262,586
Amounts due to other Government entities (see attached list)	25,667,557	28,309,938
Amounts due to other grants and other transfers (see attached list)	13,002,681	38,812,629
Acquisition of assets	-	-
Others ( <i>Funds yet to be approved</i> )	25,000,000	-
Funds pending approval	-	
	<b>63,670,238.00</b>	<b>68,844,212</b>

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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)	1,768,798.67	2,769,865.63
<b>Total</b>	<b>1,768,798.67</b>	<b>2,769,865.63</b>

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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
<b>Construction of buildings</b>					
1.					
2.					
3.					
<b>Sub-Total</b>					
<b>Construction of civil works</b>					
4.					
5.					
6.					
<b>Sub-Total</b>					
<b>Supply of goods</b>					
7.					
8.					
9.					
<b>Sub-Total</b>					
<b>Supply of services</b>					
10.					
11.					
12.					
<b>Sub-Total</b>					
<b>Grand Total</b>					

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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
<b>NG-CDFC Staff</b>				
1.				
2.				
3.				
<b>Sub-Total</b>				
<b>Grand Total</b>				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees				
Use of goods & services		141,237	1,459,060	
Amounts due to other Government entities		(194,818)	262,586	
Transfer to Primary Schools				
Nyamege Primary School	Renovation of 7 classrooms	1,200,000	-	
Nyanderema Primary School	Reroofing of 5 classrooms	500,000		
Transfer to Secondary Schools				
Amariba Secondary School	Construction of a twin lab	4,900,000	12,056,702	
Bobaracho Secondary School	Construction of admin/tuition blk	1,867,098		
Matunwa Secondary School	Purchase of school bus	6,150,000		
Masongo Secondary School	Completion of 2 classrooms	800,000		
Our Lady of Victory Nyabiosi Secondary School	Completion of tuition block	1,800,000		
Riabamanyi Secondary School	Completion of admin block	1,809,376		
Riamokwobe SDA	Construction of admin block	2,700,000		
Riekendo Sec	Construction of 4 classrooms	1,000,000		
St. peters Kerera Sec.	Renovation of classrooms	500,000		
Transfer to Tertiary Institutions				
Ibena KMTCCampus		2,258,181	20,000,000	
Sub-Total		25,667,557	25,190,475.31	
Amounts due to other grants and other transfers				
Bursary_Secundary School				
Bursary_Tertiary Institutions		25,600	6,029,000.00	
Social Security		68,109	16,704,399.55	
Security Projects			3,000,000	
Kirwa Assistant Chief's Office			3,900,000	
Nyaguta chief's Office	Construction of asst. chiefs office	250,000		
Kegati Administration Police (AP) Line	Construction of Chief's office	300,000		
Keumbu Police Post	Construction of Ap line	300,000		
Nyanko Chief's Office	Construction of a police station	7,545,000		
	Completion of a chiefs office	1,000,000		

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Sports Projects		39,132	347,354.48	
Environmental projects			1,168,166.16	
Kisii Police Station	Construction of modern toilets	2,039,056		
Kioyoro Assistant County Commissioner's Offices	Construction of modern toilets	39,057		
Emergency Projects		17,207	783,171.94	
Sub-Total		13,002,681	31,932,090.58	
Acquisition of assets			10,000,000	
Others (Funds not yet approved by the board)				
Nyaguta TTI	Construction of a TTI	10,000,000		
Nyanturago Magistrates Court	Construction of a magistrates court	15,000,000		
Sub-Total		25,000,000	10,000,000	
Funds pending approval				
Grand Total		63,670,238.00	68,844,212.48	

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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	8,096,672	10,000,000	-	18,096,672
Transport equipment	6,500,000	-	-	6,500,000
Office equipment, furniture and fittings	515,300	-	-	515,300
ICT Equipment, Software and Other ICT Assets	382,000	-	-	382,000
Other Machinery and Equipment	7,800	-	-	7,800
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>15,501,772</b>	<b>10,000,000</b>	<b>-</b>	<b>25,501,772</b>

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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Amasago Primary School	Equity	0510278749791	800.14	
Birongo Primary School	National	01025035365300	1,200.78	
Boronyi Primary School	Equity	0510278740424	149,850.42	
Chirenge Primary School	Co-operative	01141017692300	70,000.46	
Chirichiro Primary School	Equity	0510278755895	100,000.57	
Eremo Primary School	Co-operative	01141017521400	314.68	
Gesere Primary School	Equity	0510279793417	1,982.00	
Getererere primary School	Equity	0510279724193	456.48	
Getungurumu Primary School	KCB	1135507392	3,889.41	
Gianchere friends special	Equity	0510278755891	2,822.23	
Ibeno Mission Primary School	Equity	0510279662374	1,426,131.08	
Inani SDA Primary School	Equity	0510278749786	678.12	
Irondi primary school	Equity	0510279576609	3,202.89	
Irungu primary school	KCB	1135507378	2,678.23	
Nyabiosi Sec School	KCB	1135507362	2,982.78	
Nyaguta sec	Equity	0510279576532	213.79	
Nyaguta sec	Equity	0510279576722	422.61	
Nyamagwa mixed sec	National	01522215949700	289.22	
Nyamecheo chiefs office	Equity	0510279214668	780.89	
Nyamemiso sec school	Equity	0510279214777	101.89	
<b>Total</b>			<b>1,768,798.67</b>	



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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	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
CDF/2019/2020(1)	Procurement process and procedures at Bobaracho Sec.	Resolved	Issue resolved	25/06/2021
CDF/2019/2020/(2)	Branding of Projects	Resolved	Issue resolved	25/06/2021
CDF/2019/2020(3)	Stalled Projects	Resolved	Issue resolved	25/06/2021