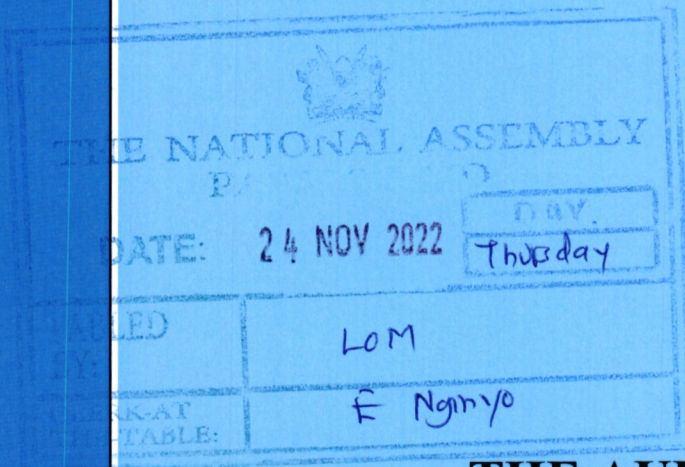
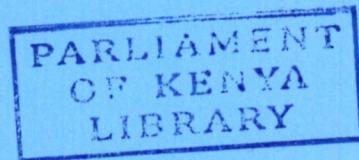
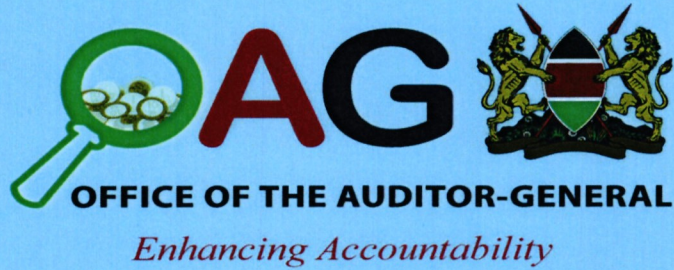


REPUBLIC OF KENYA



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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





---

**NYATIKE 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)**



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

---

TABLE OF CONTENTS	PAGE
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. NG-CDFC CHAIRMAN'S REPORT.....	4
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	7
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING.....	9
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	14
VI. REPORT OF THE AUDITOR GENERAL ON NYATIKE CONSTITUENCY NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND.....	15
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021.....	16
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021.....	17
IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021.....	18
X. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30 JUNE 2021.....	19
XI. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30 JUNE 2021.....	21
XII. SIGNIFICANT ACCOUNTING POLICIES.....	27
XIII. NOTES TO THE FINANCIAL STATEMENTS.....	31
PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.....	48



## **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/revisions 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 Nyatike 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	Marcellus Ayieko
2.	Sub-County Accountant	Abednego Odhiambo
3.	Chairman NGCDFC	Tobias Ochola
4.	Member NGCDFC	Phelix Oloo

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 1-40402  
NG CDF OFFICE - Wathonger  
Sori –Muhuru Road  
Migori, KENYA

**(f) Nyatike Constituency NGCDF Contacts**

Telephone: (254) 725833202  
E-mail: [cdfnyatike@ngcdf.go.ke](mailto:cdfnyatike@ngcdf.go.ke)  
Website: [www.cdfnyatike .go.ke](http://www.cdfnyatike.go.ke)



**(g) Nyatike Constituency NGCDF Bankers**

KCB Bank  
Sori Branch account no:1260005895  
P.O. Box 54-40401  
Karungu

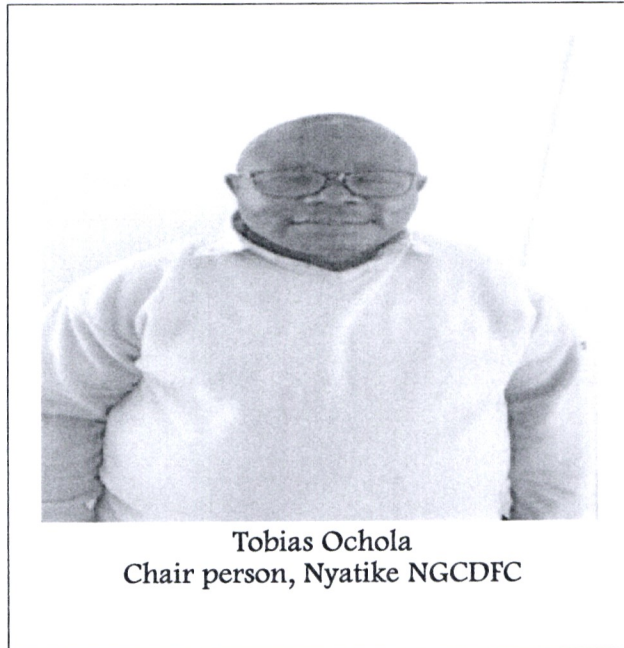
**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**II. NG-CDFC CHAIRMAN’S REPORT**



Nyatike Constituency was allocated a total of Kshs137,088,879.31 in the 2020/2021 financial year. During the financial year under review, the NGCDF Board disbursed 67% of the Approved Budget which translated to Kshs 92,000,000. We also received Kshs 66,852,724 which was the undisbursed balances from the previous financial year hence a total of Kshs158,852,724 as total disbursements from the NGCDF Board in the 2020/2021 financial year. The Nyatike National Government Constituencies Development Fund Committee (NG-CDFC) met; prioritized and disbursed funds to various projects in the Constituency following approved projects’ code list.

The table below summarises how we spent our disbursements:

<b>Item</b>	<b>Disbursements</b>
Use of goods and services	7,578,212.00
Employees’ salaries	6,087,022.00
Bursary	36,295,220.00
Secondary & primary schools projects	92,000,000.00
Purchase of printer	75,000.00
NGCD Fund office	500,000.00
Environment	1,500,000.00
Security	2,200,000.00
Rongo University Macalder Learning Centre	3,554,922.00
<b>TOTAL</b>	<b>154,583,625.00</b>



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

---

There was emphasis on construction of classrooms. The greatest implementation challenge was COVID 19. Also, there were increased demands for access roads to various learning institutions in the constituency.

The pictorials below show a few of the successful projects:



Construction of 2 classrooms at Orango Primary school



St Jacobs kolanya secondary school



Sidika secondary School

I express my gratitude to God for the energy to serve the constituents. I extend my appreciation to the NGCDF Board and all the relevant stakeholders who in one way participated in the achievements of our objectives.

Thank you.

TOBIAS ONYANGO OCHOLA  
CHAIRMAN NGCDF COMMITTEE



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

#### Introduction

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

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

- a) To provide access to quality and affordable formal education
- b) To empower youth by developing their skills and talents through relevant training
- c) To tame raising cases of insecurity by building police posts
- d) To provide necessary ICT infrastructure and skills

#### 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 increase enrolment in secondary schools by achieving 100%transition	improved transition to secondary schools and tertiary institutions	- number of physical infrastructure buildings in primary, secondary schools, - number of bursary beneficiaries	In FY 20/21-we increased number of classrooms from 30 to 45, dormitories from 17 to 21, laboratoties from 16 to 19 -Bursary beneficiaries were increased
Security	To tame raising cases of insecurity by building police posts	Increase in police posts and administrative offices	- number of police posts - number of chiefs offices	Chiefs offices increased from 2 to 5 -Nyandago chiefs office -kaler chiefs office 1 chiefs office -Agenga chiefs To completion & use

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

---

Sports	To empower youth by developing their skills and talents through relevant training	Providing clubs with uniforms and balls. Holding annual sporting event	Number of sports clubs issued with uniforms and balls  No of Event held during the year	-8 clubs in each of the 7 wards  1 annual event held
ICT	To provide necessary ICT infrastructure and skills	-Establish an ICT hub -Buying computers for all public schools	No. Of ICT hub constructed. No of computers issued to schools	-1 ICT hub at wathonger  -5 computers in 3 secondary schools



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

NGCDF – NYATIKE Constituency 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**

Nyatike NG-CDF Committee endeavored to work focusing on the service deliver and drive to better performance with the involvement of constituents. To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring.

##### **2. Environmental performance**

###### **Environment Policy and Action Plan**

Protection of the environment in which we live and operate is part of Nyatike NG-CDF initiatives

Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

###### **Our Environmental Policy**

In this policy statement Nyatike NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

###### **Our Environmental Action Plan**

Nyatike NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:

Impact Area	Approach
Capacity Building	<ul style="list-style-type: none"> <li>➤ Promote environmental awareness by sensitizing the Nyatike NG-CDFC, NG-CDFC staff and PMCs on good conservation practices</li> <li>➤ To encourage, through regular communication to Nyatike NG-CDFC, staff, and other stakeholders changes in individual behavior to reduce usage</li> </ul>
Conservation of Energy and Resources	<ul style="list-style-type: none"> <li>➤ To maximize use of available technologies to remove the need to use paper</li> <li>➤ To encourage our clients to engage with us using electronic means where possible</li> <li>➤ To maximize on rain water harvesting</li> <li>➤ To make energy efficiency a key factor in the selection of any new energy device being purchased</li> <li>➤ To invest in available energy saving technologies and devices within our existing premises</li> </ul>
Environmental Protection and Conservation	<ul style="list-style-type: none"> <li>➤ To promote use of volt guards to control power surges</li> <li>➤ We have constructed culverts and gabions to prevent soil erosion</li> <li>➤ To encourage tree planting in the constituency to improve the forest cover.</li> <li>➤ To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires</li> </ul>
Pollution Control and Waste Management	<ul style="list-style-type: none"> <li>➤ To ensure that all paper waste is recycled</li> <li>➤ To ensure segregation of waste</li> <li>➤ To ensure proper human waste disposal through construction of pit latrines.</li> </ul>

### 3. Employee welfare

#### **Terms and Conditions of Service**

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

#### **Categories of Employment**

Nyatike NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.



Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

**Recruitment Procedure**

The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done

The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Location of the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

**Appointment of a selection and Interview subcommittee**

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

**Interviews**

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

**Offer of Appointment**

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time.

**Letters of Appointment**

A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

**Orientation and Induction of employees**

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this.

Induction and orientation is done within the first three months of employment.

**Promotions**

In selecting candidates for promotion, regard is given to merit and extra ordinary ability as reflected in work performance and results after the annual performance appraisal  
Recommendations for promotion is only made by the NG-CDFC resolution

**4. Market place practices-**

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

a) Responsible competition practice.

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors

b) Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents

c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) Product stewardship

In order to safeguard consumer rights and interests, the Nyatike NG-CDF came up with a service charter and the complaints handling policy, principles and procedures brochure.

The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

## 5. Community Engagements-

### **Public Participation in Project Identification and Implementation and Monitoring**

stakeholders participation is important since:

- Providing information helps them understand the issues, options, and solutions available for the projects
- Consulting with the public aids in obtaining their feedback on alternatives or decisions
- Involving the public to ensures their concerns are considered throughout the decision process, particularly in the development of decision criteria, options and preferred solutions that are workable, efficient and sustainable.

### **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

Public Awareness and Sensitisation Exercise Provide A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.

Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.

Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.

Increase public participation at all stages of project cycle funded under NG-CDF kitty

Identify control and report any irregularities witnessed during NG-CDF project implementation cycle

Measure the impact of the projects funded by NG-CDF

Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non-state actors.

Promote awareness creation on constitution and devolved governance system in Kenya



Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures:

- Through Kenya Pipeline Corporation distributed 4,000 bottles of 250mls sanitizers to the community free of charge.
- The office purchased 250 20litre hand wash containers that were distributed to the Government offices and markets within the constituency
- the office distributed 14,000 facial masks

## 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-Nyatike 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.

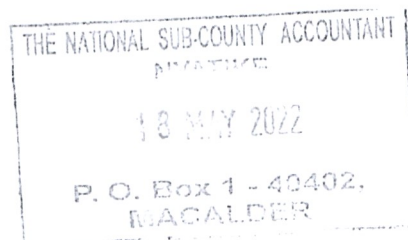
The Accounting Officer in charge of the NGCDF-Nyatike Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards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

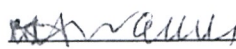
The Accounting Officer in charge of the NGCDF Nyatike Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- Nyatike Constituency financial statements were approved and signed by the Accounting Officer on **18 May, 2022**.

  
\_\_\_\_\_  
**Chairman NG-CDF  
Committee**  
**Name: Tobias Ochola**

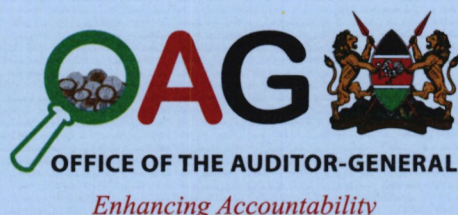


  
**Fund Account Manager**  
**Name: Mercelus Ayieko**



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: 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 - NYATIKE 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**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Nyatike Constituency set out on pages 16 to 55, 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 summary statement of

---

*Report of the Auditor-General on National Government Constituencies Development Fund - Nyatike Constituency for the year ended 30 June, 2021*



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 - Nyatike Constituency as at 30 June, 2021 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.11,647,725. However, the supporting bank reconciliation statement reflects receipts in bank statement not recorded in cash book amounting to Kshs.1,805,167 which further includes receipts of Kshs.771,578 relating to financial year 2019/2020. No explanation was provided for not recording the long outstanding receipts in the cashbook.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.11,647,725 could not be confirmed.

#### **2. Unreconciled Variance in Summary of Fixed Assets Register**

The summary of fixed assets register at Annex 3 to the financial statements reflects total assets balance of Kshs.24,444,389. However, the balance differs from the balance of Kshs.23,802,461 recorded in the fixed assets register resulting to unreconciled variance of Kshs.641,928.

In the circumstances, the accuracy and completeness of the fixed assets balance of Kshs.24,444,389 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 - Nyatike Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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



## **Other Matter**

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

The summary statement of appropriation reflects a final budget and actual receipts on comparable basis of Kshs.208,628,156 and Kshs.160,139,277 respectively, resulting to an underfunding of Kshs.48,488,879 or 23% of the budget. Similarly, the Fund spent an amount of Kshs.154,583,625 against an approved budget of Kshs.208,628,156, resulting to an under-expenditure of Kshs.54,044,531 or 26% of the budget.

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

### **2. Delayed Implementation of Projects**

Projects Implementation Status report for the year under review revealed that, twenty-seven (27) projects comprised of tertiary institutions, primary and secondary schools, environment, sports and security with an approved budget of Kshs.48,481,531 were not implemented.

In the circumstances, the intended benefits may not be realized.

## **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 the 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. Construction of Tuition Blocks**

The statement of receipts and payments reflects transfers to other Government units of Kshs.95,554,922 as disclosed in Note 5 to the financial statements. The amount includes a transfer of Kshs.3,554,922 to a University as part payment for a contract sum of Kshs.11,554,922 in respect of construction of tuition blocks at one of its Campus. However, Management did not provide ownership documents for the parcel of land on which the Campus is being built for audit review.

In the circumstances, the ownership of the parcel of land and value for money spent on the project could not be confirmed.

## **2. Failure to Insure Fixed and Movable Assets**

Review of records revealed that the Fund had insured motor vehicles valued at Kshs.7,802,922. Other fixed and movable assets costing Kshs.16,641,467 were not insured. This is contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2015, which stipulates that all fixed and movable assets, including equipment bought under the Act for use by the Constituency Committee shall be the property of the Board and shall be insured in the name of the Board.

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 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 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 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 controls 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 Fund's policies and procedures may deteriorate.


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

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

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



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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

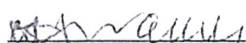
**21 September, 2022**

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

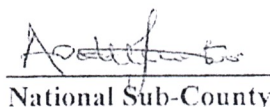
**VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	158,852,724	123,040,876
Other Receipts	2	79,000	-
<b>TOTAL RECEIPTS</b>		<b>158,931,724</b>	<b>123,040,876</b>
<b>PAYMENTS</b>			
Compensation of employees	3	6,087,022	4,517,387
Use of goods and services	4	7,578,212	8,087,960
Transfers to Other Government Units	5	95,554,922	68,300,000
Other grants and transfers	6	44,788,469	53,698,877
Acquisition of Assets	7	575,000	5,349,276
<b>TOTAL PAYMENTS</b>		<b>154,583,625</b>	<b>139,953,500</b>
<b>SURPLUS/(DEFICIT)</b>		<b>4,348,099</b>	<b>(16,912,625)</b>

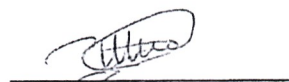
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nyatike Constituency financial statements were approved on **18 May, 2022** and signed by:



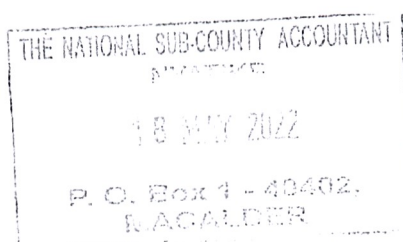
**Fund Account Manager**  
Name: Mercelus Ayieko



**Accountant**  
Name: Abednego Odhiambo  
ICPAK M/No: 13916



**Chairman NG-CDF Committee**  
Name: Tobias Ochola



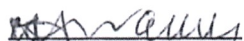


*Nyatike Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

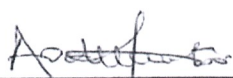
**VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021**

	Note	2019-2020 Kshs	2018-2019 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	8	11,647,725	2,659,593
<b>Total Cash and Cash Equivalents</b>		<b>11,647,725</b>	<b>2,659,593</b>
<b>TOTAL FINANCIAL ASSETS</b>			
		<b>11,647,725</b>	<b>2,659,593</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Gratuity	9	651,509	1,452,040
<b>NET FINANCIAL ASSETS</b>		<b>10,996,216</b>	<b>1,207,553</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	10	1,207,553	18,285,445
Prior year adjustments	11	5,440,564	(165,268)
Surplus/Deficit for the year		4,348,099	(16,912,625)
<b>NET FINANCIAL POSITION</b>		<b>10,996,216</b>	<b>1,207,553</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nyatike Constituency financial statements were approved on **18 May, 2022** and signed by:



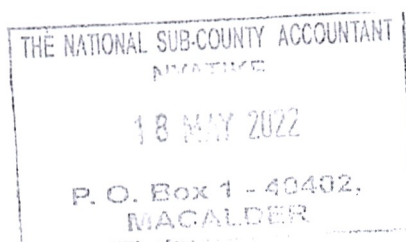
**Fund Account Manager**  
Name: Mercelus Ayieko



**National Sub-County Accountant**  
Name: Abednego Odhiambo  
ICPAK M/No: 13916



**Chairman NG-CDF Committee**  
Name: Tobias Ochola

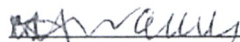


*Nyatike Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Reports and Financial Statements for The Year Ended June 30, 2021*

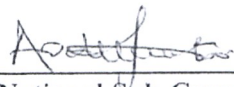
**IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	158,852,724	123,040,876
Other Receipts	2	79,000	-
<b>Total receipts</b>		<b>158,931,724</b>	<b>123,040,876</b>
<b>Payments for operating activities</b>			
Compensation of Employees	3	(6,087,022)	(4,517,387)
Use of goods and services	4	(7,578,212)	(8,087,960)
Transfers to Other Government Units	5	(95,554,922)	(68,300,000)
Other grants and transfers	6	(44,788,469)	(53,698,877)
<b>Total payments</b>		<b>(154,008,625)</b>	<b>(134,604,224)</b>
<b>Adjusted for:</b>			
Increase/(Decrease) in Accounts Payable: gratuity		(800,531)	1,452,041
Prior year adjustments	9	5,440,564	(165,268)
<b>Net Adjustments</b>		<b>4,640,033</b>	<b>1,286,773</b>
<b>Net cash flow from operating activities</b>		<b>9,563,132</b>	<b>(10,276,575)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets	7	(575,000)	(5,349,276)
<b>Net cash flows from Investing Activities</b>		<b>(575,000)</b>	<b>(5,349,276)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>8,988,132</b>	<b>(15,625,851)</b>
Cash and cash equivalent at BEGINNING of the year	8	2,659,593	18,285,445
Cash and cash equivalent at END of the year	8	11,647,725	2,659,594

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Nyatike Constituency financial statements were approved on **18 May, 2022** and signed by:




**Fund Account Manager**  
 Name: Mercelus Ayieko

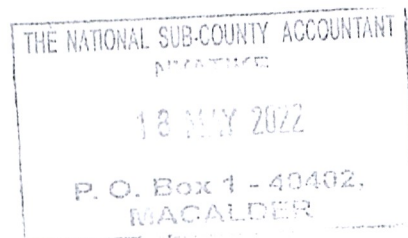


National Sub-County

**Accountant**  
 Name: Abednego Odhiambo  
 ICPAK M/No: 13916



**Chairman NG-CDF Committee**  
 Name: Tobias Ochola





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

**X. 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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	a	b	c	d=a+b+c	e	f=d-e	g=e/d %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>RECEIPTS</b>							
Transfers from NGCDF Board	137,088,879	1,207,553	70,252,724	208,549,156	160,060,277	48,488,879	77%
Other Receipts		79,000		79,000	79,000	-	100%
<b>TOTALS</b>	<b>137,088,879</b>	<b>1,286,553</b>	<b>70,252,724</b>	<b>208,628,156</b>	<b>160,139,277</b>	<b>48,488,879</b>	<b>77%</b>
<b>PAYMENTS</b>							
Compensation of Employees	4,558,087	-	2,323,638	6,881,725	6,087,022	794,703	88%
Use of goods and services	7,779,912	1,207,553	1,261,500	10,248,965	7,578,212	2,670,753	74%
Transfers to Other Government Units	74,504,922	-	56,400,000	130,904,922	95,554,922	35,350,000	73%
Other grants and transfers	50,245,958	-	5,807,586	56,053,544	44,788,469	11,265,075	80%
Acquisition of Assets	-	-	575,000	575,000	575,000	-	100%
Funds pending approval**	-	79,000	3,885,000	3,964,000	-	3,964,000	0%
<b>TOTALS</b>	<b>137,088,879</b>	<b>1,286,553</b>	<b>70,252,724</b>	<b>208,628,156</b>	<b>154,583,625</b>	<b>54,044,531</b>	<b>74%</b>
<b>Surplus/Deficit</b>	-	-	-	-	<b>5,555,652</b>	<b>(5,555,652)</b>	

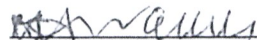
\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.

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

- a) The underutilised is due to funds not yet received by the constituency amounting to 48,488,879

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount (Kshs)</b>
Budget utilisation difference totals	54,044,531
Less: Undisbursed funds receivable from the Board as at 30th June 2021	48,488,879
	<b>7,238,059</b>
Add: Accounts payable	651,509
Add: Prior year adjustments	5,440,564
<b>Cash and Cash Equivalents at the end of the FY 2020/2021</b>	<b>11,647,725</b>

The NGCDF-Nyatike Constituency financial statements were approved on **18 May, 2022** and signed by:



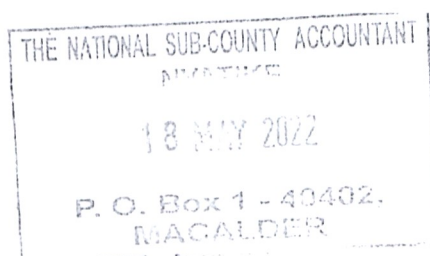
**Fund Account Manager**  
Name: Mercelus Ayieko



**National Sub-County Accountant**  
Name: Abednego Odhiambo  
ICPAK M/No: 13916



**Chairman NG-CDF Committee**  
Name: Tobias Ochola





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

**XI. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30 JUNE 2021**

Programme/Sub-programme	Original budget		Adjustments		Final budget	Actual on comparable basis		Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements		2020/2021	Kshs	
<b>1.0 Administration and Recurrent</b>	<b>8,225,333</b>	<b>Kshs</b>	-	<b>2,340,638</b>	<b>10,565,971</b>	<b>9,373,754</b>	<b>1,192,217</b>	
1.1 Compensation of employees	4,558,087		-	2,323,638	6,881,725	6,087,022	794,703	
1.2 Committee allowances	1,248,000		-	8,000	1,256,000	1,071,600	184,400	
1.3 Use of goods and services	2,419,246		-	9,000	2,428,246	2,217,766	210,480	
<b>2.0 Monitoring and evaluation</b>	<b>4,112,666</b>	<b>1,207,553</b>		<b>1,244,500</b>	<b>6,564,719</b>	<b>4,288,846</b>	<b>2,275,873</b>	
2.1 Capacity building	2,112,666		-	1,244,500	3,357,166	3,282,166	75,000	
2.2 Committee allowances	1,000,000		-	-	1,000,000	921,000	79,000	
2.3 Use of goods and services	1,000,000	<b>1,207,553</b>		-	2,207,553	85,680	2,121,873	
<b>3.0 Emergency</b>	<b>7,192,207</b>		-	<b>3,241</b>	<b>7,195,448</b>	<b>4,793,249</b>	<b>2,402,199</b>	
<b>4.0 Bursary and Social Security</b>	<b>35,772,220</b>		-	<b>4,804,345</b>	<b>40,576,565</b>	<b>36,295,220</b>	<b>4,281,345</b>	
4.1 Secondary Schools	10,272,220		-	1,648,580	11,920,800	12,509,720	(588,920)	
4.2 Tertiary Institutions	23,000,000		-	3,155,445	26,155,445	23,755,500	2,399,945	
4.3 Social Security	1,500,000		-	-	1,500,000	-	1,500,000	
4.5 Special Schools	1,000,000		-	320	1,000,320	30,000	970,320	
<b>5.0 Sports</b>	<b>2,531,531</b>		-	<b>500,000</b>	<b>3,031,531</b>	<b>-</b>	<b>3,031,531</b>	
5.1 Nyatike Constituency Youth Sports	2,531,531		-	500,000	3,031,531	-	3,031,531	
<b>6.0 Environment</b>	<b>2,200,000</b>		-	<b>-</b>	<b>2,200,000</b>	<b>1,500,000</b>	<b>700,000</b>	
6.1 Nyatike Environment Self Help Group	2,200,000		-	-	2,200,000	1,500,000	700,000	
<b>7.0 Security Projects</b>	<b>2,550,000</b>		-	<b>500,000</b>	<b>3,050,000</b>	<b>2,200,000</b>	<b>850,000</b>	
7.1 Kaler chiefs office	-		-	500,000	500,000	500,000	-	



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

Programme/Sub-programme	Original budget 2020/2021	Adjustments		Final budget 2020/2021	Actual on comparable basis		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements		Kshs	Kshs	
7.2 Nyandago central location chiefs office	850,000	-	-	850,000	850,000	-	-
7.3 Adugo chiefs office	850,000	-	-	850,000	-	850,000	-
7.4 Lower central Kadem chiefs office	850,000	-	-	850,000	850,000	-	-
<b>8.0 Primary Schools Projects</b>	<b>13,100,000</b>	-	<b>15,550,000</b>	<b>28,650,000</b>	<b>20,850,000</b>	<b>7,800,000</b>	-
8.1 Kikongo Primary School	-	-	300,000	300,000	300,000	-	-
8.2 Kimai Primary School	-	-	600,000	600,000	600,000	-	-
8.3 Kurukongo Primary School	-	-	300,000	300,000	300,000	-	-
8.4 Nyamanga Primary School	-	-	300,000	300,000	300,000	-	-
8.5 Pom Primary School	-	-	2,400,000	2,400,000	2,400,000	-	-
8.6 Raga Primary School	-	-	400,000	400,000	400,000	-	-
8.7 Ndiwa Primary School	-	-	800,000	800,000	800,000	-	-
8.8 SotaRanganya Primary School	-	-	750,000	750,000	750,000	-	-
8.9 Jangoe Primary School	-	-	350,000	350,000	350,000	-	-
8.10 Kayara Primary School	-	-	750,000	750,000	750,000	-	-
8.11 God Keyo Primary School	-	-	300,000	300,000	300,000	-	-
8.12 God Bim Primary School	-	-	300,000	300,000	300,000	-	-
8.13 Olasi Primary School	-	-	750,000	750,000	750,000	-	-
8.14 Adugo Primary School	-	-	600,000	600,000	600,000	-	-
8.15 Agenga Primary School	-	-	1,400,000	1,400,000	1,400,000	-	-
8.16 WacharaKarungu Primary School	-	-	4,500,000	4,500,000	4,500,000	-	-
8.17 Oluga Primary School	-	-	750,000	750,000	750,000	-	-
8.18 Nyakurungoto primary school	800,000	-	-	800,000	800,000	-	-
8.19 Ojawa primary school	800,000	-	-	800,000	-	800,000	-
8.20 Wangelongopri school	2,400,000	-	-	2,400,000	2,400,000	-	-
8.21 Nyabomo primary school	500,000	-	-	500,000	500,000	-	-



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

Programme/Sub-programme	Original budget 2020/2021	Adjustments		Final budget 2020/2021	Actual on comparable basis 2020/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
8.22 Orango primary school	1,600,000	-	-	1,600,000	1,600,000	-
8.23 Got kachola primary school	500,000	-	-	500,000	-	500,000
8.24 Kikongo Primary Road	2,500,000	-	-	2,500,000	-	2,500,000
8.25 Obalwanda Primary School Road	4,000,000	-	-	4,000,000	-	4,000,000
<b>9.0 Secondary Schools Projects</b>	<b>52,850,000</b>	-	<b>40,850,000</b>	<b>93,700,000</b>	<b>71,150,000</b>	<b>22,550,000</b>
9.1 Fr. Joseph Otati Mixed Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.2 Jangoe Mixed Secondary School	-	-	500,000	500,000	500,000	-
9.3 Kea Secondary School	-	-	2,000,000	2,000,000	2,000,000	-
9.4 Ngangere Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.5 St. Monica Bondokosiemo Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.6 St. Agnes Okuodo Mixed Secondary School	-	-	500,000	500,000	500,000	-
9.7 Angugo Secondary School	-	-	800,000	800,000	800,000	-
9.8 Got Kachola Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.9 Kopala Mixed Secondary School	-	-	1,250,000	1,250,000	1,250,000	-
9.10 Kumoni Mixed Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.11 Nyankondo Mixed Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.12 Okayo Mixed Secondary School	-	-	400,000	400,000	400,000	-
9.13 Paul Odendo Secondary School	-	-	500,000	500,000	500,000	-
9.14 Rabwao Secondary School	-	-	1,500,000	1,500,000	1,500,000	-
9.15 Senye Secondary School	-	-	500,000	500,000	500,000	-
9.16 SotaSda Secondary School	-	-	1,500,000	1,500,000	1,500,000	-
9.17 St. Jacobs Kolanya Secondary School	-	-	1,500,000	1,500,000	1,500,000	-
9.18 St. Josephs Modi Secondary School	-	-	800,000	800,000	800,000	-



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

Programme/Sub-programme	Original budget 2020/2021 Kshs	Adjustments		Final budget 2020/2021 Kshs	Actual on comparable basis 2020/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements			
9.19 LwandaMa;P;;Gwar Secondary School	-	-	3,000,000	3,000,000	3,000,000	-
9.20 St. GoretiMikei Secondary School	-	-	750,000	750,000	750,000	-
9.21 Sori Secondary School	-	-	7,500,000	7,500,000	7,500,000	-
9.22 Obolo Secondary School	-	-	500,000	500,000	500,000	-
9.23 RabuorKarungu Mixed Secondary	-	-	1,500,000	1,500,000	1,500,000	-
9.24 Radienya High School	-	-	750,000	750,000	750,000	-
9.25 Sidika Mixed Secondary School	-	-	1,500,000	1,500,000	1,500,000	-
9.26 St GorretyMikei Secondary School	-	-	750,000	750,000	750,000	-
9.27 St Pius Got Orango	-	-	1,000,000	1,000,000	1,000,000	-
9.28 St SabianusOwich Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
9.29 St Thomas Diruma	-	-	1,000,000	1,000,000	1,000,000	-
9.30 St Gemma Girls Secondary School	-	-	850,000	850,000	850,000	-
9.31 Nyakweri Girls High School	-	-	3,000,000	3,000,000	3,000,000	-
9.32 Nyandago secondary school	650,000	-	-	650,000	-	650,000
9.33 Bande Girls Secondary School	200,000	-	-	200,000	-	200,000
9.34 Got Kachola secondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.35 Nyangere secondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.36 Olando mixed secondary school	4,500,000	-	-	4,500,000	4,500,000	-
9.37 Chamachichi SDA secondary school	800,000	-	-	800,000	-	800,000
9.38 Amoyo Mixed Secondary School	800,000	-	-	800,000	800,000	-
9.39 Kopala secondary school	900,000	-	-	900,000	900,000	-
9.40 Sidika secondary school	1,500,000	-	-	1,500,000	1,500,000	-
9.41 Paulo Odendo Mixed Secondary School	300,000	-	-	300,000	300,000	-
9.42 Olasi secondary school	500,000	-	-	500,000	-	500,000
9.43 Kanga Onditiissecondary school	800,000	-	-	800,000	800,000	-
9.44 LwandaMagwar secondary school	3,000,000	-	-	3,000,000	1,200,000	1,800,000



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

Programme/Sub-programme	Original budget 2020/2021	Adjustments		Final budget 2020/2021	Actual on comparable basis 2020/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
9.45 Obware secondary school	1,600,000	-	-	1,600,000	1,600,000	-
9.46 St. Josephs Alendo Girls Secondary School	200,000	-	-	200,000	200,000	-
9.47 St. Monica BondoKosiemo secondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.48 Fr. Joseph Otati secondary school	4,500,000	-	-	4,500,000	4,500,000	-
9.49 Mariba secondary school	1,500,000	-	-	1,500,000	1,500,000	-
9.50 Osiri secondary school	800,000	-	-	800,000	800,000	-
9.51 Got Orango secondary	700,000	-	-	700,000	700,000	-
9.52 St. GorreyMikei secondary school	500,000	-	-	500,000	500,000	-
9.53 St. SabianusOwichsecondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.54 Mariba secondary school	2,000,000	-	-	2,000,000	2,000,000	-
9.55 Rabwao secondary school	1,000,000	-	-	1,000,000	-	1,000,000
9.56 St. Marys Winjo secondary school	500,000	-	-	500,000	500,000	-
9.57 Kumoni secondary school	1,500,000	-	-	1,500,000	1,500,000	-
9.57 Nyankondo secondary school	1,500,000	-	-	1,500,000	1,500,000	-
9.58 Nyakweri Girls Secondary school	6,500,000	-	-	6,500,000	2,000,000	4,500,000
9.59 Ndiwa Girls Secondary School	1,500,000	-	-	1,500,000	-	1,500,000
9.60 Akala secondary school	1,600,000	-	-	1,600,000	1,500,000	100,000
9.61 St. Jacobs Kolanya secondary school	1,500,000	-	-	1,500,000	1,500,000	-
9.62 St. Thomas Duruma secondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.63 Nyakweri Girls Secondary school	4,000,000	-	-	4,000,000	-	4,000,000
<b>10.0 Tertiary institutions Projects</b>	<b>8,554,922</b>	-	-	<b>8,554,922</b>	<b>3,554,922</b>	<b>5,000,000</b>
10.1 Rongo University Macalder Centre	3,554,922	-	-	3,554,922	3,554,922	-
10.2 Rongo University Macalder Centre	5,000,000	-	-	5,000,000	-	5,000,000

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

Programme/Sub-programme	Original budget 2020/2021	Adjustments		Final budget 2020/2021	Actual on comparable basis 2020/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous years' outstanding disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>11.0 Acquisition of assets</b>	-	-	<b>575,000</b>	<b>575,000</b>	<b>575,000</b>	-
11.1 Purchase of computers	-	-	75,000	75,000	75,000	-
11.2 NGCDF Nyatike Office water project	-	-	500,000	500,000	500,000	-
<b>12.0 Others</b>	-	<b>79,000</b>	<b>3,885,000</b>	<b>3,964,000</b>	-	<b>3,964,000</b>
12.1 Funds not approved	-	79,000	3,885,000	3,964,000	-	3,964,000
<b>Grand Total</b>	<b>137,088,879</b>	<b>1,286,553</b>	<b>70,252,724</b>	<b>208,628,156</b>	<b>154,583,625</b>	<b>54,044,531</b>



## **XII. 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-Nyatike 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 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.



**XIII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO.	B 047222		55,040,876
AIE NO.	B 041182		4,000,000
AIE NO.	B 047790		16,000,000
AIE NO.	B 104072		15,000,000
AIE NO.	B 104452		24,000,000
AIE NO.	B 047843		9,000,000
AIE NO.	B097000	15,000,000	
AIE NO.	B104668	20,000,000	
AIE NO.	A823711	31,367,724	
AIE NO.	B124648	9,000,000	
AIE NO.	B128008	12,000,000	
AIE NO.	B128249	6,900,000	
AIE NO.	B132305	6,000,000	
AIE NO.	B119618	8,500,000	
AIE NO.	B104918	485,000	
AIE NO.	B132011	6,000,000	
AIE NO.	B138974	13,000,000	
AIE NO.	B126266	7,000,000	
AIE NO.	B105061	11,600,000	
AIE NO.	B140705	12,000,000	
<b>Total</b>		<b>158,852,724</b>	<b>123,040,876</b>

**2. OTHER RECEIPTS**

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of tender documents	79,000	-
<b>Total</b>	<b>79,000</b>	<b>-</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,563,631	3,466,415
Gratuity to contractual employees	1,682,407	868,476
Employer Contributions Compulsory national social security schemes	186,800	182,496
<b>Total</b>	<b>6,087,022</b>	<b>4,517,387</b>

4. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	-	360,000
Communication, supplies and services	-	548,426
Domestic travel and subsistence	218,100	238,150
Printing, advertising and information supplies & services	120,000	-
Training expenses	3,359,800	-
Hospitality supplies and services		2,566,850
Other committee expenses	921,000	1,383,000
Committee allowance	1,071,600	1,074,400
Insurance costs	-	131,881
Office and general supplies and services	660,800	-
Fuel , oil & lubricants	30,000	725,073
Bank service commission and charges	101,541	6,880
Other Operating Expenses	96,071	-
Routine maintenance - vehicles and other transport equipment	-	1,053,300
Routine maintenance- other assets	999,300	-
<b>Total</b>	<b>7,578,212</b>	<b>8,087,960</b>

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	20,850,000	16,250,000
Transfers to secondary schools (see attached list)	71,150,000	44,050,000
Transfers to tertiary institutions (see attached list)	3,554,922	8,000,000
<b>Total</b>	<b>95,554,922</b>	<b>68,300,000</b>



NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,509,720	11,114,650
Bursary – tertiary institutions (see attached list)	23,755,500	22,265,337
Bursary – special schools (see attached list)	30,000	999,680
Security projects (see attached list)	2,200,000	6,149,210
Sports projects (see attached list)	-	2,500,000
Environment projects (see attached list)	1,500,000	1,900,000
Emergency projects (see attached list)	4,793,249	8,770,000
<b>Total</b>	<b>44,788,469</b>	<b>53,698,877</b>

7. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Construction and civil works	-	5,000,000
Refurbishment of Buildings	500,000	-
Purchase of bicycles & motorcycles	-	349,276
Purchase of computers, printers and other IT equipments	75,000	-
<b>Total</b>	<b>575,000</b>	<b>5,349,276</b>

Kshs. 5,000,000 relates to drilling and equipping of a borehole which was accounted for under other payments during 2019/2020 FY now transferred to construction of building.

8. CASH BOOK BANK BALANCE

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Kenya Commercial Bank, sori Branch. Acc. No.1260005895	11,647,725	2,659,593
<b>Total</b>	<b>11,647,725</b>	<b>2,659,593</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. GRATUITY

	2020-2021	2019-2020
	Kshs	Kshs
Gratuity as at 1 <sup>st</sup> July (A)	1,452,040	583,564
Gratuity held during the year (B)	881,876	868,476
Gratuity paid during the Year (C)	1,682,407	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>651,509</b>	<b>1,452,040</b>

10. BALANCES BROUGHT FORWARD

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	Kshs	Kshs
Bank accounts	2,659,593	18,285,445
Gratuity	(1,452,040)	-
<b>Total</b>	<b>1,207,553</b>	<b>18,285,445</b>

11. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2019/2020 Kshs
Bank account Balances	18,120,177	3,758,157	21,878,334
Accounts Payables	-	1,682,407	1,682,407
<b>Total</b>	<b>18,120,177</b>	<b>5,440,564</b>	<b>23,560,741</b>

*\*\* The adjusted balances represent cumulative prior years' adjustments*



NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. OTHER IMPORTANT DISCLOSURES

12.1: PENDING STAFF PAYABLES (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	473,879	1,286,772
<b>Total</b>	<b>473,879</b>	<b>1,286,772</b>

12.2: UNUTILIZED FUND (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	794,703	1,418,875
Use of goods and services	2,673,994	3,263,142
Amounts due to other Government entities (see attached list)	36,350,000	54,150,000
Amounts due to other grants and other transfers (see attached list)	10,261,834	13,407,804
Acquisition of assets	-	724
Other payments	-	(4,500,000)
Funds pending approval	3,964,000	3,000,000
<b>Total</b>	<b>54,044,531</b>	<b>70,740,545</b>

12.3: PMC ACCOUNT BALANCES (See Annex 4)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	21,559,256	2,107,130
<b>Total</b>	<b>21,559,256</b>	<b>2,107,130</b>

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

**ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2021 (Kshs)	Comments
		a	b	c	d=a-c	
<b>Middle Management</b>						
1.Okuku Christopher Ochieng	Clerk of Works	59,234			59,234	
2.Rael Ndombera Sirekah	Accounts Clerk	88,858			88,858	
3.Diana Juma Sekoh	Clerical Officer					
4.Jack A. Odero	Accounts Assistant	29,617			29,617	
5.Achieng Vivian Oloo	Records Management Officer	29,617			29,617	
6.Barbara Hegel Mark	Clerical Officer	29,617			29,617	
7.Vera Awino Akinyi	Clerical Officer	29,617			29,617	
<b>Sub-Total</b>		<b>266,560</b>			<b>266,560</b>	
<b>Others (specify)</b>						
8.Wiclife Otieno Magwanga	Driver					
9.Samson Owigo Odundo	Support Staff					
10.Peter Ochieng	Driver	29,617			29,617	
11.Elias Ogwen	Support Staff					
12.Olal Reinhard B	Support Staff	29,617			29,617	
13.Andrew Adera	Support Staff	29,617			29,617	
14.Charles Otieno Okech	Support Staff	29,617			29,617	
15.Basil Omolo Osaho	Support Staff	29,617			29,617	
16.Owuor Gordon Obware	Support Staff	29,617			29,617	
<b>Sub-Total</b>		<b>29,617</b>			<b>29,617</b>	
<b>Grand Total</b>		<b>473,879</b>			<b>473,879</b>	



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

**ANNEX 2 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
		Kshs	Kshs	
Compensation of employees		794,703	1,418,875	
Use of goods & services		2,670,753	3,263,142	
Amounts due to other Government entities				
<b>Primary schools projects</b>				
Got Kachola Primary School	Completion of admin block,	500,000		
Kikongo Primary Road	Opening grading,gravelling	2,500,000		
Obalwanda Primary School Road	Opening grading,gravelling	4,000,000		
Ojawa Primary School	Completion of 3 classrooms	800,000		
Adugo Primary School	Completion of administration block 4 rooms: plastering, fittings and painting		600,000	
Agenga Primary School	Construction of 2 classrooms: foundation slab, walling, plastering, fitting and painting		1,400,000	
God Bim Primary School	Renovation of 3 classrooms: floor slab, plastering, painting		300,000	
God Keya Primary School	Renovation of 4 classrooms: plastering, fittings and painting		300,000	
Jangoe Primary School	Renovation of 3 classrooms: walling, roofing, flooring and painting		350,000	
Kayara Primary School	Construction of 1 classroom: foundation slab, walling, roofing, fittings, plastering and painting		750,000	
Kikongo Primary School	Renovation of 4 classrooms: flooring, fittings and painting		300,000	
Kimae Primary School	Completion of 1 classroom: roofing, plastering, fittings and painting		600,000	
Kurukongo Primary School	Completion of 2 classrooms: plastering, glazing and painting		300,000	
Ndiwa Primary School	Construction of 1 classroom: foundation slab,		800,000	

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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21 Kshs	2019/20 Kshs	
	walling, roofings, fittings, plastering and painting			
Nyamanga Disi Primary School	Renovation of 2 classrooms: flooring and painting		300,000	
Olasi Primary School	Construction of 1 classroom: foundation slab, walling, roofings, fittings, plastering and painting		750,000	
Oluga Primary School	Construction of 1 classroom: foundation slab, walling, roofings, fittings, plastering and painting		750,000	
Porn Primary School	Construction of 3 classrooms to completion		2,400,000	
Raga Primary School	Renovation of 6 classrooms : plastering, fittings and painting		400,000	
Sota Rangenya Primary School	Construction of 1 classroom: foundation slab, walling, roofings, fittings, plastering and painting		750,000	
Wachara Karungu Primary School	Drilling and equipping of 1 borehole		4,500,000	
<b>Secondary schools projects</b>				
Nyandago Secondary School	Completion of admin block,	650,000		
Bande Girls Secondary School	Completion of 2 classrooms	200,000		
Got Kachola Secondary School	Completion of dormitory	1,500,000		
Lwanda Magwar Secondary School	Completion of dining hall	1,800,000		
Nyangere Secondary School	Completion of dormitory	1,500,000		
Chamachichi SDA Secondary School	Construction of 1 classroom	800,000		
Olasi Secondary School	Construction of 4 door ablution block	500,000		
St. Monica Bondo Kosiemo Secondary School	Completion of dormitory	1,500,000		
St. Sabianus Owich secondary School	Completion of dormitory	1,500,000		
Rabwao Secondary School	Completion of admin block	1,000,000		
Ndiwa Girls Secondary School	Completion of twin laboratory	1,500,000		
Nyakweri Girls Secondary School	Completion of 4 classrooms	4,500,000		



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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21 Kshs	2019/20 Kshs	
St. Thomas Duruma Secondary School	Completion of dormitory	1,500,000		
Akala Secondary School	Completion of twin laboratory	100,000		
Nyakweri Girls Secondary school	Construction of a 40 double decker bed capacity dormitory	4,000,000		
Angugo Secondary School	Construction of 1 classroom: foundation slab, walling, roofing, fittings, plastering and painting		800,000	
Fr. Joseph Otati Mixed Secondary School	Renovation of 5 classrooms adminish-ation block of 5 rooms:floor slab, plastering, glazing and painititng		1,000,000	
Got Kachola Mixed Secondary School	Construction of 1 dormitory: foundation slab, walling, roofing, fittings, plastering and painting		1,000,000	
Jangoe Mixed Secondary School	Renovation of 4 classrooms: floor slab, plastering and painting		500,000	
Kea Secondary School	Completion of Laboratory 7MX30M, 40 students capacity: plastering, fittings and painting		2,000,000	
Kopala Mixed Secondary School	Completion of Twin Laboratory 7m X 30111 80 No. student capacity:roofing, fittings, plastering and painting		1,250,000	
Lwanda Magwar Secondary School	Completion of dinning hall and Kitchen 13m X 31m 1000 tudents capacity: roofing, plastering, fitting and painting		3,000,000	
Nyangere Secondary School	Construction of 40 double decker bed capacity dormitory Gm X 12m :foundation, slab, walling, roofing, plastering and painting		1,000,000	
Nyankondo Mixed Secondary School	construction of 40 double decker bed capacity dormitory 6m X 1Zm :foundation, slab, walling, roofing		1,000,000	
Obolo Secondary School	Fencing with barbed wire		500,000	
Okayo Mixed Secondary School	Renovation of 3 classrooms:plastering, fitting		400,000	

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

Name	Brief Transaction Description	Outstanding Balance 2020/21 Kshs	Outstanding Balance 2019/20 Kshs	Comments
	and painting			
Paulo Odoneo Secondary School	Renovation of 3 classrooms: flooring, fittings, plastering and painting		500,000	
Rabum Karungu Mixed Secondary School	Piping of water from St. Camillus to Rabuor Karungu Secondary School and installation of 10,000CM reservoir tank		1,500,000	
Rabwao Secondary School	Completion of administration block 8 and a veranda: roofing, plastering, fittings and painting		1,500,000	
Radinya High School	Completion of 40 double decker bed capacity dormitory 6m X 12m: walling, roofing, plastering, fittings and painting.		1,500,000	
Senye Secondary School	Construction of a 4 door ablation block: pit excavation, foundation slab, walling, roofing, plastering and painting.		500,000	
Sidika Mixed Secondary School	Construction of laboratory 7111 X 15m 40 No. students capacity: foundation slab, walling, roofing, plastering an painting		1,500,000	
Sori Secondary School	Purchase of a 52 seater school bus		7,500,000	
Sota SDA Secondary School	Completion of laboratory 7m X 15m :walling, roofing, plastering, fittings and painting		1,500,000	
St. Jacobs Kolanya Secondary School	Construction of laboratory 7m X 15m 40 No. students capacity: foundation slab, walling, roofing, plastering an painting		1,500,000	
St. Gorrety Mikei Secondary School	Completion of 40 double decker bed capacity dormitory 6111 X 1211: walling, roofing, plastering, fittings and painting.		1,500,000	
St. Josephs Modi Secondary School	Construction of 1 classroom: foundation slab, walling, roofing, fittings, plastering and painting		800,000	
St. Monica Bonda Kosiemo Secondary	Construction of 40 double 1,000,000.00		1,000,000	



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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
		Kshs	Kshs	
School	decker bed capacity dormitory 6m X 12111: foundation slab, walling, roofing, plastering, and painting			
St. Pius Got Orange Secondary School	Completion of Twin Laboratory 7m X 30m 80 No. student capacity:walling, roofing, fittings, plastering and painting		2,000,000	
St. Sabianus Owich Mixed Secondary School	Construction of 40 double 1,000,000.00 decker bed capacity dormitory 6m X 12m: foundation slab, walling, roofing, plastering, and painting		1,000,000	
St. Thomas Duruma Secondary School	Construction of dormitory 40 double decker beds capacity 6m X 12m: foundation slab, walling, roofing, plastering and painting		1,000,000	
St. Agnes Okuodo Mixed Secondary School	Completion of administration block 8 rooms: fitting, flooring, and painting		500,000	
St. Gemma Girls High School	Completion of laboratory 7m X 15m 40 No. sh 1 dents capacity :plastering, fittings and painting		850,000	
<b>Tertiary institutions Projects</b>				
Rongo University Macalder Centre		5,000,000		
<b>Sub-Total</b>		<b>35,350,000</b>	<b>54,150,000</b>	
<b>Amounts due to other grants and other transfers</b>				
Adugo Chiefs Office	Construction of chiefs office	850,000	500,000	
Kaler Chief's Office	Construction of chiefs office	(588,920)	1,648,580	
Bursary-Secondary		2,399,945	4,673,461	
Bursary-Tertiary		970,320	320	
Bursary-Special School		1,500,000	1,260,000	
NHIF		700,000	600,000	
Nyatike Environment Self Help Group		3,031,531	500,000	
Nyatike Constituency Youth Sports				

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

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
		Kshs	Kshs	
Emergency		2,402,199	3,241	
Other Grants and Transfers			3,722,202	
<b>Sub-Total</b>		<b>11,265,075</b>	<b>12,907,804</b>	
<b>Acquisition of Assets</b>				
Purchase of motor cycle			724	
Nyatike NGCDF Office			500,000	
<b>Sub-Total</b>			<b>500,724</b>	
<b>Others</b>				
Unapproved project (Nyakweri Girls Secondary School)		3,964,000	3,000,000	
Overutilization			(4,500,000)	
<b>Sub-Total</b>			<b>(1,500,000)</b>	
<b>Grand -Total</b>		<b>54,044,531</b>	<b>70,740,545</b>	<b>0</b>



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

**ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs)
	2019/20			2020/21
Land	100,000	-	-	100,000
Buildings and structures	1,000,000	-	-	1,000,000
Transport equipment	7,802,922	-	-	7,802,922
Office equipment, furniture and fittings	1,362,210	-	-	1,362,210
Infrastructure Assets - Borehole	5,000,000	-	-	5,000,000
ICT Equipment, Software and Other ICT Assets	1,404,257	575,000		1,979,257
Other Machinery and Equipment	7,200,000	-		7,200,000
<b>Total</b>	<b>23,869,389</b>	<b>575,000</b>		<b>24,444,389</b>

NB: The brought forward total balance has been restated to include cost of water project (borehole) of Kshs.5,000,000 which was erroneously accounted for under other payments in the previous year.

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

**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

PMC	Bank	Account number	Bank Balance (Kshs) 2020/21	Bank Balance (Kshs) 2019/20
Agolomuok Primary School	KCB	1226538894	3,383	-
Magungu Primary School	KCB	1273787897	198	-
Obalwanda Rabuor Primary School	KCB	1272803376	1,059	-
Angugo Secondary School Pmc	KCB	1279332727	501,104	-
Sidika Secondary School	KCB	1279320168	1,614,880	-
Sota SDA Secondary School	KCB	1264764073	722,433	-
Kea Mixed Secondary School	KCB	1265748535	51,236	-
OthochRakuom Primary School	KCB	1272833275	349	-
Kayara DEB Primary School	KCB	1278145087	721	-
Rabuor Karungu Secondary School	KCB	1275364810	57,694	-
Nyamanga Disi Primary School	KCB	1276978243	1,000	-
Sori Secondary School	KCB	1278859888	3,069	-
St. Monica Bondo Kosimo secondary school	KCB	1276589263	1,664	-
Obware Mixed Secondary School	KCB	1264764189	1,924,871	-
Orango Primary School	KCB	1284020657	489,470	-
Jangoe Mixed Secondary School	KCB	1277274517	4,395	-
Agenga Primary School PMC	KCB	1279323272	188,696	-
Pom Primary School CDF Account	KCB	1273212940	1,496	-
Akala Secondary School	KCB	1264927223	1,856,907	-
Angugo Secondary School	KCB	1279332727	501,104	-
Raga Primary School	KCB	1278902732	349	-
Kurukongo Primary School	KCB	1265972206	3,975	-
Kumoni Secondary School	KCB	1278339442	127,429	-
WacharaKarungu Primary School	KCB	1226720773	3,571	-
Opeya Primary School	KCB	1233266896	4,687	-
Ongoche Primary School	KCB	1272797945	975	-
Tagache Primary School	KCB	1274902134	150,000	-
Olasi Primary School	KCB	1278291679	396,058	-
Rabwao Secondary School	KCB	1279109327	395	-



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

PMC	Bank	Account number	Bank Balance (Kshs)	
			2020/21	2019/20
God Keyo primary School	KCB	1226563325	102,935	-
Okayo Secondary School	KCB	1278067450	1,893	-
Jangoe Primary School	KCB	1278239448	28,798	-
St. GoretyMikeiSecondary School	KCB	1265478635	258,516	-
Fr. Joseph Otati Secondary School	KCB	1276672195	161,023	-
St. Pius Got Orango Secondary School	KCB	1264764014	946,169	-
Nyakweri Primary School NGCDF project	KCB	1263996086	2,644,316	-
Muhuru AP Camp	KCB	1265486417	1,067	-
Karungu Police Station.	KCB	1267240784	789	-
St. Thomas Diruma Secondary PMC	KCB	1271447045	45,663	-
SotaRanganya Primary School	KCB	1278769846	737	-
Nyandago Mixed Secondary School PMC	KCB	1266459553	9,269	-
St. Jacobs Kolanya Secondary School PMC	KCB	1277917795	2,747	-
Wangelongo Primary School	KCB	1284882179	1,228,855	-
Mariba mixed Secondary School	KCB	1286234891	439,275	-
Nyatike CDF Security Project PMC	KCB	1286842336	2,198,735	-
Rongo University Macalder Learning Centre	KCB	1267216719	388,008	-
Lwanda Magwar secondary school	KCB	1265494568	4,487,293	-
God keyo secondary school	KCB	1239032323	-	3,017
Ororo primary school pmc	KCB	1226633285	-	5,595
Lwala primary school		1239859899	-	976
God keyo primary school		1226563325	-	3,455
Agolo muok primary school		1226538894	-	3,383
Ororo primary school		1259169855	-	1,346
Gunga chiefs office pmc		1239650191	-	3,217
Kumoni secondary school		1149245530	-	799
Rabwao secondary school	Coop Bank	1139481017900	-	35,166
St. Gemma Girls secondary school pmc	Coop Bank	11410772210800	-	7,830
Moi Nyatike secondary school pmc	Coop Bank	1139202227500	-	2,335
Agenga secondary school pmc	Coop Bank	1141750246300	-	46,778
BL. Tezza complex secondary school	Coop Bank	1141077211700	-	798



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

PMC	Bank	Account number	Bank Balance (Kshs) 2020/21	Bank Balance (Kshs) 2019/20
Akala secondary school pmc	Coop Bank	1139481134500	-	3,017
Kanga onditi secondary school	Coop Bank	1139077118502	-	849
Gunga secondary school pmc	Coop Bank	1139203040302	-	2,030
Sidika secondary school pmc	Coop Bank	1139203040302	-	2,579
St. Jacobs kolanya secondary school pmc	Coop Bank	1141434963000	-	1,968
Kopala secondary school pmc	Coop Bank	1141750260400	-	345,564
senye secondary school	Coop Bank	1139204324500	-	14,815
Ndiwa girls secondary school	Coop Bank	1141750221600	-	122,561
Lwanda magwar secondary school pmc	Coop Bank	1139077212002	-	227,286
St. Michaels Nyandema secondary school	Coop Bank	1139204991400	-	68,143
St. Sabianus Owich secondary school	Coop Bank	1141750054800	-	4,535
Osiri secondary school	Coop Bank	1141204787500	-	3,697
St. Johns Got Kachola secondary school	Coop Bank	1141482281600	-	3,022
Osiri mixed secondary school	Coop Bank	1139204787502	-	1,389
Miriwi secondary school	Coop Bank	1141482650000	-	32,170
Othoch Rakuom secondary school	Coop Bank	1141482495400	-	1,275
Paulo odondo secondary school	Coop Bank	1141750220500	-	2,069
Okenge secondary school	Coop Bank	1139077217401	-	16,413
Aneko secondary school	Coop Bank	1139048451602	-	1,647
St. marys winjo secondary school	Coop Bank	1139202690400	-	184,698
Ungoe secondary school	Coop Bank	1139077211401	-	3,829
Tiany nyagodjope primary school pmc	Coop Bank	1141482650500	-	29,897
Karyandiko primary school	Coop Bank	1141750562200	-	45,550
Got onger primary school pmc	Coop Bank	1141750526900	-	102,742
Kiasa primary school	Coop Bank	1139481133600	-	5,538
Mikei primary school pmc	Coop Bank	1139204363200	-	1,716
Owiro primary school	Coop Bank	1141202838000	-	216,900
Ogongo primary school	Coop Bank	1141202296300	-	26,725
St. Gabriel primary school	Coop Bank	1141482741500	-	1,683
Osiri primary school	Coop Bank	1139482308300	-	1,113
Miroche primary school	Coop Bank	1139204985900	-	11,003



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

PMC	Bank	Account number	Bank Balance (Kshs) 2020/21	Bank Balance (Kshs) 2019/20
Kopala primary school	Coop Bank	1141076038700	-	2,908
Nyatike CDF office pmc	Coop Bank	1141482569700	-	1,910
Nyatuoro primary school	Coop Bank	1141048629100	-	3,491
Odiyo primary school	Coop Bank	1139202679700	-	4,340
Ungoe primary school	Coop Bank	1139203100900	-	790
Nyatike constituency youth sports	Coop Bank	1141750103800	-	492,578
<b>Totals</b>			<b>21,559,256</b>	<b>2,107,130</b>

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

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the Auditor-General in the financial year 2019/2020, 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)
<b>REPORT ON THE FINANCIAL STATEMENTS</b>					
<b>Basis for Qualified Opinion</b>					
1.0	<b>Unsupported Bursary disbursements</b> The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and transfers payments of Kshs.53,698,877. Included in this amount are bursary disbursements of Kshs.11,114,600 and Kshs.22,265,337 disbursed to secondary schools and tertiary institutions respectively. However, supporting documents for these payments were not provided for audit. Consequently, the accuracy, completeness and validity of the bursary expenditure of Kshs.53,698,877 for the year ended 30 June, 2020 could not be confirmed.	All receipts and acknowledgment to be filed	Marcelus Ayieko Fund Account Manager	Resolved	
2.0	<b>Unsupported Sports Expenditure</b> The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and other payments amounts of Kshs.53,698,877. Included in this amount is expenditure on sports projects of Kshs.2,500,000. However, the distribution list and acknowledgement from the recipients of the sports items procured was not availed for audit review.	Contact to be made with sports PMC to provide the necessary documents for review	Marcelus Ayieko Fund Account Manager	Not Resolved	30 September 2022



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

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)
3.0	<p>Consequently, the accuracy, completeness and validity of the expenditure of Kshs.2,500,000 spent on sports projects could not be confirmed.</p> <p><b>Unsupported Expenditure on Construction of Twin Laboratory</b></p> <p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units amount of Kshs.68,300,000. Included in the transfer is expenditure of Kshs.44,050,000 on transfer to secondary schools out of which Kshs.1,000,000 was transferred to Ndiwa Girls Secondary School in respect to completion of a twin laboratory. This project was procured as a labour based contract on 25 July, 2019 at a contract sum of Kshs.768,490.</p> <p>Records available indicate that a total Kshs.3,000,000 has been disbursed towards the project with Kshs.2,000,000 having been disbursed in the financial 2018/2019. However, the cashbook and payment vouchers for this project were not provided for audit review despite the bank statement revealing that an amount totaling Kshs.1,535,210 had been spent in the period between 20 July, 2019 and 30 June, 2020.</p> <p>Physical verification of the project on 16 February, 2021 revealed that the project had stalled at the lintel level and</p>	<p>Contact to be made with PMC to provide the necessary documents for review</p>	<p>Marcelus Ayieko Fund Account Manager</p>	<p>Resolved</p>	

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

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>the contractor was not on site despite funds allocated for the completion of the project having been disbursed.</p> <p>Consequently, the validity of the expenditure for the construction of twin laboratories could not be confirmed.</p>				
<b>Other Matter</b>					
<b>1.0</b>	<p><b>Budget Control and Performance</b></p> <p>The summary statement of appropriation; recurrent and development combined for the year under review reflects total budgeted receipts of Kshs.210,694,044 and actual receipts of Kshs.141,326,320 resulting to underfunding of Kshs.69,367,724 or 33% of the budget. Similarly, The Fund spent Kshs.139,953,500 against total expenditure budget of Kshs.210,694,045 resulting to an overall under expenditure of Kshs.70,740,545 or 33% of the budget. The budget under funding and under absorption affected the planned activities and may have impacted negatively on service delivery to the residents of Nyatike.</p>	<p>Contact to be made with PMC to provide the necessary documents for review</p>	<p>Marcelus Ayieko Fund Account Manager</p>	<p>Not Resolved</p>	<p>30 September 2022</p>
	<p>Further, there was an over expenditure on other payments by Kshs.4,500,000 no evidence has been availed for audit review to confirm that the over expenditure of Kshs.4,500,000 was approved contrary to Section 52(1)(a) of Public Finance Management (National Government) Regulations, 2015 which states that no public officer can spend or commit funds unless the officer</p>				



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

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)
	has been authorized by means of an Authority to Incur Expenditure (AIE) to do so.				
<b>REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES</b>					
<b>Basis for Conclusion</b>					
<b>1.0</b>	<b>Transfers to Other Government Units</b> The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units balance of Kshs.68,300,000. Review of expenditure under this item revealed the following unsatisfactory matters,	Contact to be made with PMC to provide the necessary documents for review	Marcelus Ayieko Fund Account Manager	Not Resolved	30 September 2022
<b>2.0</b>	<b>Irregular Procurement of Contract for Construction of Tuition Blocks at Rongo University- Macalder Campus</b> The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units balance of Kshs.68,300,000. Included in this balance is a payment of Kshs.8,000,000 transferred to Rongo University in respect to the construction of tuition blocks at the University's Macalder learning Centre whose contract sum is Kshs.11,554,922. However, a review of the procurement process revealed that the project was not procured through open tender despite the contract sum being above the minimum threshold for class C procuring entities of Kshs.3,000,000 which the Funds fall under.	Contact to be made with PMC to provide the necessary documents for review	Marcelus Ayieko Fund Account Manager	Not Resolved	30 September 2022

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

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)
3.0	<p>In the circumstances, Management is in breach of the law and the regularity of the expenditure of Kshs.8,000,000 on the construction of tuition blocks at the University's Macalder learning Centre could not be confirmed.</p> <p><b>Irregular Funding of Construction of a Dormitory at Radienya High School</b> The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units balance of Kshs.68,300,000. Included in transfer is Kshs.44,050,000 transferred to secondary schools out of which Kshs.1,750,000 was transferred to Radienya Secondary School in respect to the construction of a one storey dormitory.</p> <p>Review of information provided by the School's Management revealed that the request for counter-part funding of the project by the Parents, Teachers Association (PTA) did not specify the portion which was to be financed by the Fund. This is contrary to the provisions of Section 49 of National Government Constituencies Development Fund Act, 2015 which allows for counter-part funding provided that the part funding for the project availed pursuant to this Act shall go to a defined unit or any part thereof or phase of the project in order to ensure that the</p>	<p>Contact to be made with PMC to provide the necessary documents for review</p>	<p>Marcelus Ayieko Fund Account Manager</p>	<p>Not Resolved</p>	<p>30 September 2022</p>



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

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)
4.0	<p>particular portion defined in the allocation is completed with the funds allocated under this Act.</p> <p>Physical verification of the project on 16 February, 2021 revealed that the contractor was not on site. The project had stalled at the first-floor slab level. Further, the workmanship on the completed sections was visibly poor. Valuation certificates for the works done from the department of roads and public works were not provided for audit review.</p> <p>Consequently, value for money has not been realised in the expenditure of Kshs.1,750,000 and Management was in breach of law in awarding the contract.</p>	<p>Contact to be made with PMC to provide the necessary documents for review</p>	<p>Marcelus Ayieko Fund Account Manager</p>	<p>Not Resolved</p>	<p>30 September 2022</p>
4.0	<p><b>Irregular Procurement of Administration</b></p> <p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units amount of Kshs.68,300,000. Included in the transfer is expenditure of Kshs.44,050,000 on transfer to secondary schools out of which Kshs.1,700,000 was transferred to Nyandago Secondary School in respect to construction of the administration block. The contract was procured through restricted tendering procurement method at a contract sum of Kshs.6,317, 128. However, the tender documents and evidence of the tender qualifying for the restricted procurement as required by provisions of section</p>				

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

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)
5.0	<p>102(1) of the Public Procurement and Asset Disposal Act, 2015 were not provided for audit.</p> <p>Consequently, the validity of the expenditure of Kshs.1,700,000 disbursed towards the project could not be confirmed.</p> <p><b>Irregular Variation of Contract for the Completion of Classrooms at Orote Primary School</b></p> <p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government units amount of Kshs.68,300,000. Included in the amount is Kshs.16,250,000 relating to transfers to primary schools out of which Kshs.600,000 was transferred to Orote Primary School for the completion of five classrooms, a project which was initiated by the community. However, the scope of the project was later on varied to construction of three classrooms instead of initial five without the approval of the National Government Constituencies Development Fund Board as required by section 6(2) of the National Government Constituencies Development Fund Act, 2015.</p> <p>Under the circumstances, the variation was irregular and Management was in breach of law.</p>	Contact to be made with PMC to provide the necessary documents for review	Marcelus Ayieko Fund Account Manager	Not Resolved	30 September 2022
6.0	<p><b>Stalled Project at Aneko Primary School</b></p> <p>Review of disbursement records for the fund revealed that Kshs.600,000 was transferred to Aneko Primary School</p>	Contact to be made with PMC to provide the necessary	Marcelus Ayieko Fund Account Manager	Not Resolved	30 September 2022



