

REPORT

THE NATIONAL ASSEMBLY

DATE: 21 JUN 2023

WED

TABLED
BY:

Hon Kimani Ichungwahr MP
Leader, of the Majority Party

CLERK-AT
THE-TABLE:

Finlay Muriuki

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

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

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





THARAKA CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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I. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/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 Tharaka Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Alex Muinde
2.	Sub-County Accountant	Augustus Mulwa
3.	Chairperson NGCDFC	Veronicah Kajira

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No	Designation	Name
4.	Member NGCDFC	Josphat Nyaga

(d) Fiduciary Oversight Arrangements

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

P.O. Box 33
Tharaka NG CDF Building/House/Plaza
Marimanti Nkubu Road
Marimanti, KENYA

(f) Tharaka Constituency NGCDF Contacts

Telephone: (254) 0711181096
E-mail: cdfttharaka@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Tharaka Constituency NGCDF Bankers

Coop Bank

Chuka branch

AC Number 01120058205800

P.o Box 101-60400

Chuka

(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 Chairperson Report

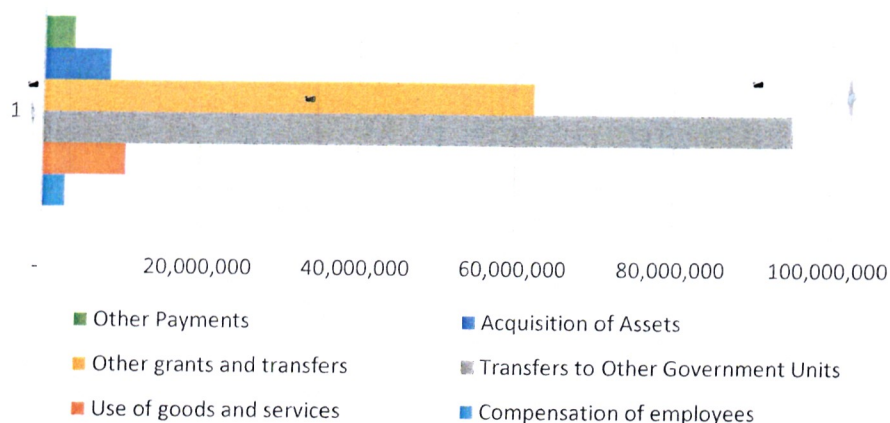


I am pleased to notify that this fiscal year we managed to received funds from the NG CDF board on timely basis and subsequently we managed to apportion funds to various activities which included but not limited to the following activities

- Award of bursaries to needy students
- Construction of classes, dorms, labs and dining halls in schools
- Construction of Marimanti Kenya Medical Training college
- Construction of Tharaka Teachers College
- Construction of Administrative offices as well as Police camps
- Purchase of school buses
- Field levelling as a way of stimulating sports activities within the constituency
- Addressing of emergency cases

In regards to the above the consolidated expenditure which was incurred within the fiscal year was clustered into four categories which is as outlined below

Expenditure Analysis



Compensation of employees	2,985,701
Use of goods and services	10,636,301
Transfers to Other Government Units	95,111,123
Other grants and transfers	62,375,337
Acquisition of Assets	8,509,950
Other Payments	3,900,000
TOTAL	183,518,412

On compensation of employees Tharaka NG CDF engaged six employees on contractual terms until the closure of the financial year when their contractual terms ended. Additionally, we have managed to engage three interns who have tremendously gained experience on matters to do with public procurement, project management as well as financial management. All the employees were deducted PAYE, NHIF, NHIF as well as HELB dues monthly

In order to ensure seamless operations within the financial year, we have utilized kshs 10,636,301 under purchase of goods and services. This was basically utilized to enhance capacity of the committee, staff as well as project management committee in addition to other operational costs such as vehicle maintenance, insurance, committee allowances, fuel, printing, stationaries among other related operational expenses.

On transfer to other government entities we utilized kshs 95,111,123 which went along way to the following activities

- Construction of classes,
- Construction of dormitories
- Construction of laboratories
- Construction of dining halls
- Renovation of classes
- Construction of Medical training college
- Construction of teachers college
- Purchase of school buses



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Kshs 62,375,337 was utilized under other grants and transfer which was primarily used for award of bursary to needy students as well as sports, environment and emergency cases within the year.

Ksh 8,509,950 was used to purchase Tharaka NG CDF Vehicle as well as renovation works at the NGCDF vehicle under acquisition of assets

Lastly kshs 3,900,000 was used to construct Huduma center under other payments

On behalf of the entire committee, I would like to that all the stakeholders involved in management of NG CDF activities for their corporation. May God bless you all

Sample of projects implemented within the fiscal year
Nkondi Girls secondary-School bus







[Handwritten signature]

Name
CHAIRPERSON NGCDF COMMITTEE

III. Statement of Performance Against Predetermined Objectives for FY2021/22

Introduction

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

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

No	Strategic Theme	Strategic Objective	Strategies
1	Access to quality education	To improve access to quality education	Expansion of schools through rehabilitation/renovation/construction of classrooms in various primary and secondary schools in the constituency
			Construction and equipping laboratories in secondary schools in the constituency
			Completion of day secondary schools
			Construction of permanent classrooms for mud-walled primary schools
			Construction of computer labs/classes (both levels)
			Construction of multipurpose halls in all schools
			Construction of libraries in secondary schools
			Construction of dormitories in secondary schools and selected primary schools
			Construction of toilet blocks in both primary and secondary schools
			Levelling of playing fields in both primary and secondary schools
			Provision of water tanks in schools
			Provision of bursary to needy and bright secondary school/tertiary institutions' students
			2
Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds			
Funding of youth sporting initiatives (e.g. Marathon activities)			
3	Emergency Support	To cater for any unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency

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No	Strategic Theme	Strategic Objective	Strategies
4	Environment	To promote environmental sustainability in the constituency	Supporting schools and public institution to acquire tree seedlings
			Organizing tree planting days in schools
5	Security	To enhance security in the constituency	Construction of ACCs and DCCs offices and residential houses
			Construction/Renovation of offices for chiefs and Ass. Chiefs
			Awareness creation on community policing and sensitization of community members on security matters
			Construction/rehabilitation of Police Stations/Administration Offices
			Construction/rehabilitation of police houses and AP Camps
			Fencing administration offices, AP camps and police stations
6	Tracking of results	To improve tracking of implementation CDF programmes	Monitoring and Capacity Building of NGCDF's and PMC's
			Organizing regular projects monitoring field visits
			Synthesis of PMC reports into quarterly PIS
7	Institutional Strengthening	To promote performance management and smooth running of the CDF office	Preparation of Constituency Strategic Plan
			Staff training
			Purchase of working tools and equipment

Progress on attainment of strategic objectives

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 2021/2022 -we increased number of classrooms, dormitories, laboratories from 40 to 70 in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To enhance security in the constituency.	Reduced incidences of cattle rustling in the constituency. Reduced crime rate on the constituency.	Number of usable security infrastructure in the constituency	Increased number of police posts as well as administrative offices by 7 in the following entities as per the attached list
Environment	To promote environmental sustainability in the constituency	Protection of water resources through fencing	Number of earth dams	Increased the number of earth dams fenced
Sports	To harness youth talent and empower them	Improved sports amenities in the constituency	Number of sports amenities implemented	Increased the number of sports amenities by levelling of playing ground at Irunduni primary school
Emergency	To cater for any unforeseen occurrences in the constituency	Improved efficiency in addressing disasters in the constituency	Number of emergency cases addressed in the constituency through the emergency vote head	Addressed disaster issues in the following entities as per the attached entities

I. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Tharaka NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Tharaka NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Through the environmental allocation we have managed to safeguard water resources by fencing of two earth dams within the fiscal year.

3. Employee welfare

We invest in providing the best working environment for our employees. constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Tharaka constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues. Tharaka constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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

4. Market place practices-

Tharaka NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Tharaka NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meeting. Tharaka NG-CDF have continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

IV. Environmental and Sustainability Reporting

Tharaka NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

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2. Environmental performance

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

3. Employee welfare

We invest in providing the best working environment for our employees. Tharaka constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

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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.

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



Alex Muinde Charles

Fund Account Manager

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

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

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

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Approval of the financial statements

The NGCDF- Tharaka Constituency financial statements were approved and signed by the Accounting Officer on 5th September 2022.


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Name: Veronicah Kajira

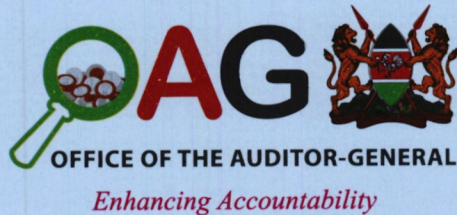
Chairperson- NGCDF Committee


.....

Name: Alex Muinde Charles

Fund Account Manager

REPUBLIC OF KENYA



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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke

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Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – THARAKA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREABLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Tharaka Constituency set out on pages 1 to 39,

which comprise the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Tharaka Constituency as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy in the Deficit Balance

The statement of assets and liabilities reflects a deficit balance of Kshs.1,340,000. However, the statement of receipts and payments reflects a deficit amount of Kshs.1,340,656 resulting to an unexplained variance of Kshs.656.

In the circumstances, the accuracy of the deficit balance of Kshs.1,340,000 could not be confirmed.

2. Inaccuracies in the Statement of Receipts and Payments

The statement of receipts and payments reflects transfers from NGCDF Board comparative balance of Kshs.161,337,724. However, the 2020/2021 audited financial statements reflects Kshs.161,367,724 resulting to an unexplained variance of Kshs.30,000. Further, the statement reflects surplus comparative balance of Kshs.12,329,867. However, the amounts differs with the recalculated amounts of Kshs.12,299,867 resulting to an unexplained variance of Kshs.30,000.

In the circumstances, the accuracy and completeness of the above balances in the statement of receipts and payments could not be confirmed.

3. Lack of Ownership Documents

Annex 4 to the financial statements reflects summary of fixed assets register balance of Kshs.18,308,768. However, review of documents revealed that the Fund offices stands on unsurveyed land of unknown value whose ownership documents were not provided

and were not disclosed in the financial statements. In addition, the building had not been valued to reflect the current value.

In the circumstances, the accuracy, ownership, existence, completeness of the assets balance of Kshs.18,308,768 could not be confirmed.

4. Unsupported Transfers to Other Government Entities

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other Government units amounting to Kshs.95,111,123 which includes Kshs.13,800,000 transferred to KMTC Marimanti for construction of infrastructures on a 10 acres parcel of land. However, the title deed for the land on which the project was build was not provided to confirm that the land was indeed owned by the community or Government.

In the circumstances, the accuracy, ownership and completeness of Kshs.13,800,000 transferred to KMTC Marimanti could not be confirmed.

5. Unsupported Other Grants and Transfers

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and transfers amounting to Kshs.62,375,337 which includes bursary to secondary schools amounting to Kshs.19,485,761. However, out of the Kshs.19,485,761 disbursed only Kshs.17,691,325 was acknowledged leaving a balance of Kshs.1,794,436 unacknowledged.

In the circumstances, the accuracy and completeness of Kshs.1,794,436 disbursed to secondary schools could not be confirmed.

6. Project Management Committee (PMC) Account Balances

As disclosed in Note 17.4 and Annex 5 to the financial statements are Project Management Committee (PMC) bank account balances amounting to Kshs.5,332,918. However, the bank reconciliation statements, cash books, bank statements and bank confirmation certificates were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC account balance of Kshs.5,332,918 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects approved final receipts budget and actual on comparable basis of Kshs.199,098,633 and Kshs.199,098,633 respectively, Similarly, the Fund expended Kshs.183,518,412 against an approved budget of Kshs.199,098,633 resulting to an under-expenditure of Kshs.15,580,221 or 8% of the budget. The underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources 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. Imprest Management and Control

During the year under review, the Fund did not maintain an imprest register and imprest warrants to aid in the issuance and the control of the imprests. This resulted in multiple imprests issuance to staff before clearing the previous ones. This is contrary to Regulation 93(4)(b) of the Public Finance Management (National Government) Regulations, 2015, which states that before issuing temporary imprest to an officer, the Accounting Officer should ensure that the applicant has no outstanding imprests.

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

2. Unsatisfactory Implementation of Projects

2.1. Tharaka Teachers College

The Fund Management awarded a contract for the construction of two classrooms to completion level at a contract sum of Kshs.2,000,000. However, physical verification of the projects done in March 2023 revealed that the site had been neglected, classrooms were not in use, not labeled, electricals were not done and there were no windows.

2.2. Gatunga Police Station

The Fund Management awarded a contract for the construction of three rooms (crime office, gender, and children office, and investigation office) to completion at a contract sum of Kshs.1,000,000. However, physical verification of the projects done in March, 2023 revealed that the rooms were not labeled and the electrical work was not done. In addition, architectural drawing and plan were not provided for audit.

2.3. Kamarenge Primary School

The Fund Management awarded a contract for the fencing of the dam project at a contract sum of Kshs.2,741,777. However, physical verification of the projects done in March, 2023 revealed that there was no gate and the fence was incomplete.

2.4. Matakiri Chief's Office

The Fund Management awarded a contract for the fencing of a chief's office compound of 3 acres using concrete posts and barbed wire and installation of a gate to completion at a contract sum of Kshs.1,500,000. However, physical verification of the projects done in March, 2023 revealed that fencing was not complete.

In the circumstance, the value for money on the projects could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, 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 overall 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 so as to obtain assurance about whether effective processes and systems of internal controls, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls 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

17 May, 2023

*Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022

	Note	2021 - 2022	2020- 2021
		Kshs	Kshs
Receipts	-	-	-
Transfers From NGCDF Board	1	182,177,756	161,337,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		182,177,756	161,337,724
Payments			
Compensation Of Employees	4	2,985,701	2,565,947
Use Of Goods and Services	5	10,636,301	9,024,787
Transfers To Other Government Units	6	95,111,123	90,200,000
Other Grants and Transfers	7	62,375,337	39,247,123
Acquisition Of Assets	8	8,509,950	-
Other Payments	9	<u>3,900,000</u>	<u>8,000,000</u>
Total Payments		183,518,412	149,037,857
Surplus/(Deficit)		<u>(1,340,656)</u>	<u>12,329,867</u>

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

The Constituency financial statements were approved on 5th September 2022 and signed by:

 Fund Account Manager	 National Sub-County Accountant	 Chairperson NG-CDF Committee
-------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------

Name: Alex Muinde Charles

Name: Augustus Mulwa
ICPAK M/No:20453

Name: Veronica Kajira

THE NATIONAL SUB-COUNTY ACCOUNTANT
THARAKA SOUTH
P. O. Box 36-60215,
MARIMANTI.

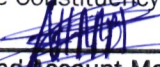
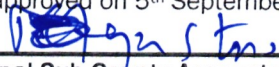

*Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

VIII. Statement of Assets and Liabilities as at 30th June, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	15,580,222	16,920,878
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		15,580,222	16,920,878
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		-	-
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		<u>15,580,222</u>	<u>16,920,878</u>
Represented By			
Fund Balance B/Fwd	13	16,920,878	4,591,011
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(1340,000)	12,329,867
Net Financial Position		<u>15,580,222</u>	<u>16,920,878</u>

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

The Constituency financial statements were approved on 5th September 2022 and signed by

Fund Account Manager

National Sub-County Accountant

Chairperson NG-CDF Committee

Name: Alex Muinde Charles

Name: Augustus Mulwa
ICPAK M/No:20453

Name: Veronica Kajira

THE NATIONAL SUB-COUNTY ACCOUNTANT
THARAKA SOUTH
P. O. Box 36-60215,
MARIMANTI.

*Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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IX. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			-
Transfers From NGCDF Board	1	182,177,756	161,367,724
Other Receipts	3	=	=
Total Receipts			161,367,724
Payments			
Compensation Of Employees	4	2,985,701	2,565,947
Use Of Goods and Services	5	10,636,301	9,024,787
Transfers To Other Government Units	6	95,111,123	90,200,000
Other Grants and Transfers	7	62,375,337	39,247,123
Other Payments	9	3,900,000	8,000,000
Total Payments		(175,008,462)	(149,037,857)
Total Receipts Less Total Payments		7,169,294	12,329,867
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		7,169,294	12,329,867
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(8,509,950)	-
Net Cash Flows from Investing Activities		(8,509,950)	12,329,867
Net Increase In Cash And Cash Equivalent		(1,340,656)	12,329,867
Cash & Cash Equivalent At Start Of The Year	10	16,920,878	4,591,011
Cash & Cash Equivalent At End Of The Year	10	<u>15,580,222</u>	<u>16,920,878</u>


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

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

The Constituency financial statements were approved on 5th September 2022 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairman NG-CDF Committee

Name:

Name:
ICPAK M/No:20453

Name: VERONICA KAIRA

THE NATIONAL SUB-COUNTY ACCOUNTANT
THARAKA SOUTH
P. O. Box 36-60215,
MARIMANTI.

**Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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X-Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	45,088,876	199,098,633	199,098,633	0	0%
TOTAL RECEIPTS	137,088,879	45,088,876	199,098,633	199,098,633	0	0%
PAYMENTS						
Compensation of Employees	2,875,532	202,849	3,078,381	2,985,701	92,680	97.0%
Use of goods and services	9,462,466	1,274,904	10,737,370	10,636,301	101,069	99.1%
Transfers to Other Government Units	65,100,000	28,446,289	110,437,044	95,111,123	15,325,921	86.1%
Other grants and transfers	54,750,880	7,594,334	62,375,337	62,375,337	0	100.0%
Acquisition of Assets	1,000,000	7,570,500	8,570,500	8,509,950	60,550	99.3%
Other Payments	3,900,000	-	3,900,000	3,900,000	-	100.0%
TOTAL	137,088,879	45,088,876	199,098,633	183,518,412	15,580,221	92.2%

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

Description	Amount
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**Tharaka Constituency
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Description	Amount
Budget utilisation difference totals	15,580,221
Less undisbursed funds receivable from the Board as at 30th June 2022	-
Add Accounts payable	15,580,221
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	15,580,221

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

NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
	Kshs		Kshs	Kshs	Kshs	
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,875,532		202,847	3,078,379	2,985,701	
1.2 Committee allowances	2,000,000.00		45,071	2,045,071	2,045,071	
1.3 Use of goods and services	3,349,800.47		-	3,349,800	3,349,800	

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

Total	8,225,333	-	247,918	8,473,251	8,380,572
2.0 Monitoring and evaluation					
2.1 Capacity building	1,274,902.68				
2.2 Committee allowances	1,283,268.40		318,648	1,593,551	1,593,551
2.3 Use of goods and services	1,554,494.92		598,463	1,881,731	1,881,731
Total	4,112,666		312,721	1,867,216	1,765,271
3.0 Emergency			1,229,832	5,342,498	5,240,553
3.1 Primary Schools					
Total	7,192,207.00		2,836,191	10,028,398	7,715,400
4.0 Bursary and Social Security	7,192,207		2,836,191	10,028,398	7,715,400
4.1 Secondary Schools					
4.2 Tertiary Institutions	19,000,000.00		485,761	19,485,761	19,485,761
4.4 Special Needs	10,275,118.00		1,497,774	11,772,892	11,767,343
Total	5,000,000.00			5,000,000	4,981,500
5.0 Sports	34,275,118		1,983,535	36,258,653	36,234,604
5.1 Irunduni primary					
Ruungu primary school	2,741,777.60			2,741,777.60	2,741,777.60
Total	0.00		2,741,778	2,741,778	2,741,778
6.0 Environment	2,741,778		2,741,778	5,483,556	5,483,556
Kamareng primary					
Total	2,741,777.60			2,741,778	2,741,778

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

Total	2,741,778	-	-	2,741,778	2,741,778
7.0 Primary Schools Projects					
Gakurungu primary school	900,000.00	-	-	900,000.00	900,000.00
Rwakarai primary school	900,000.00	-	-	900,000.00	900,000.00
Mubuura primary school	900,000.00	-	-	900,000.00	900,000.00
Ntogoro primary school	900,000.00	-	-	900,000.00	900,000.00
Kamachabi primary	2,000,000.00	-	-	2,000,000.00	2,000,000.00
Gatagani primary school	900,000.00	-	-	900,000.00	0.00
Kaongoni primary school	900,000.00	-	-	900,000.00	0.00
Kiagu primary school	1,200,000.00	-	-	1,200,000.00	1,200,000.00
Turima primary school	1,000,000.00	-	-	1,000,000.00	0.00
Nkunyini primary school	900,000.00	-	-	900,000.00	900,000.00
Karini primary school	900,000.00	-	-	900,000.00	0.00
Kaguma primary school	2,300,000.00	-	-	2,300,000.00	2,300,000.00
kereria primary	900,000.00	-	-	900,000.00	900,000.00
Karou primary school	2,000,000.00	-	-	2,000,000.00	2,000,000.00
Kiorimba primary school	1,000,000.00	-	-	1,000,000.00	0.00
Riamikuu primary school	900,000.00	-	-	900,000.00	900,000.00
Karambani primary school	900,000.00	-	-	900,000.00	0.00
Kirundi primary school	900,000.00	-	-	900,000.00	900,000.00

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

Riamwanki primary school	900,000.00	-	-	-	900,000.00	900,000.00
Mukothima primary school	1,000,000.00	-	-	-	1,000,000.00	1,000,000.00
Marimanti primary school	1,400,000.00	-	-	-	1,400,000.00	1,400,000.00
Mwerera primary school	900,000.00	-	-	-	900,000.00	0.00
Materi boarding primary school	1,100,000.00	-	-	-	1,100,000.00	1,100,000.00
Nkarini primary school	900,000.00	-	-	-	900,000.00	900,000.00
Kioru primary	0.00	900,000.00	-	-	900,000.00	900,000.00
Uweni primary	0.00	900,000.00	-	-	900,000.00	900,000.00
Kabuabua primary	0.00	900,000.00	-	-	900,000.00	900,000.00
Karambani primary school	0.00	900,000.00	-	-	900,000.00	900,000.00
Mwanyani primary	0.00	900,000.00	-	-	900,000.00	900,000.00
Irimba primary	0.00	1,000,000.00	-	-	1,000,000.00	1,000,000.00
Nyakinjeru primary	0.00	900,000.00	-	-	900,000.00	900,000.00
Materi boarding primary school	0.00	1,000,000.00	-	-	1,000,000.00	1,000,000.00
Mutaranga primary school	0.00	7,200,000.00	-	-	7,200,000.00	7,200,000.00
Ndaruni primary		220,878.00	679,122	900,000	900,000	900,000
Kierera primary school		-	900,000	900,000	900,000	900,000
Kamwathu primary		-	900,000	900,000	900,000	900,000
Kathangacini primary		-	900,000	900,000	900,000	900,000
Gareuni primary		-	900,000	900,000	900,000	900,000
		-	900,000	900,000	900,000	900,000

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

9.0 Tertiary institutions Projects								
Kenya Medical Training College Marimanti	800,000.00	-	-	-	800,000.00	-	800,000.00	
Kenya Medical Training College-Marimanti	1,000,000.00	-	-	-	1,000,000.00	-	1,000,000.00	
Kenya Medical Training College-Marimanti	700,000.00	-	-	-	700,000.00	-	700,000.00	
Kenya Medical Training College-Marimanti	3,400,000.00	-	-	-	3,400,000.00	-	3,400,000.00	
Tharaka Teachers College Irunduni	2,000,000.00	-	-	-	2,000,000.00	-	2,000,000.00	
Tharaka Teachers College Irunduni	1,500,000.00	-	-	-	1,500,000.00	-	1,500,000.00	
Tharaka South Teacher's Service Commission Office	1,000,000.00	-	-	-	1,000,000.00	-	0.00	
Tharaka Teachers College Irunduni	1,500,000.00	-	-	-	1,500,000.00	-	1,500,000.00	
Nkondi TAC	0.00	-	-	-	-	-	-	
Irunduni Teachers	0.00	-	900,000	-	900,000	-	900,000	
Total	11,900,000	-	2,000,000	-	2,000,000	-	2,000,000	-
10.0 Security Projects								
Gatunga Police Station	1,000,000.00	-	-	-	1,000,000.00	-	1,000,000.00	
Gaceuni Police Post	1,500,000.00	-	-	-	1,500,000.00	-	1,500,000.00	
Gakirwe Chiefs Office	900,000.00	-	-	-	900,000.00	-	900,000.00	
Kithino Police Patrol Base	500,000.00	-	-	-	500,000.00	-	500,000.00	
Twanthanjui Assistant Chiefs Office	900,000.00	-	-	-	900,000.00	-	900,000.00	
Ntugi Police Post	1,000,000.00	-	-	-	1,000,000.00	-	1,000,000.00	
Total	13,800,000	-	-	-	14,800,000	-	13,800,000	-

**Tharaka Constituency
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Matakiri Chiefs Office	1,500,000.00	-	-	-	1,500,000.00	1,500,000.00
Kamanyaki Chiefs office	0.00	-	900,000	-	900,000	900,000
Uturini chiefs office	0.00	-	900,000	-	900,000	900,000
Gatunga Police Station	0.00	-	2,000,000	-	2,000,000	2,000,000
Total	7,300,000	-	3,800,000	-	11,100,000	10,200,000
11.0 Acquisition of assets						
NG CDF office	-	-	500	-	500	-
NG CDF ffile	-	1,000,000.00	-	-	1,000,000	999,950
NG CDF Vehicle	-	-	7,570,000	-	7,570,000	7,510,000
Total	-	-	7,570,500	-	8,570,500	8,509,950
12.0 Other payments						
TharakaHuduma Center	1,000,000.00	1,000,000.00	-	-	-	-
TharakaHuduma Center	2,900,000	1,000,000.00	0.00	-	2,900,000	2,900,000
Total	1,000,000	-	0.00	-	1,000,000	1,000,000
13.0 unallocated fund	3,900,000	1,000,000	-	-	3,900,000	3,900,000
TOTAL	137,088,879	16,920,878	45,088,876	199,098,633	183,518,412	

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

Receipt/Expense Item	Original Budget a	Opening Balance (C/Bk) and AIA	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d
PAYMENTS			Previous years Outstanding Disbursements			
Compensation of Employees	2,875,532	-	202,847	3,078,379	2,985,701	92,678
Use of goods and services Transfers to Other Government Units	9,462,466	-	1,274,903	10,737,369	10,635,424	101,945
Other grants and transfers	66,600,000	15,920,878	24,679,122	107,197,003	95,112,000	12,088,000
Acquisition of Assets	54,250,880	-	11,361,504	65,612,384	62,375,337	3,237,047
Other payments	-	-	7,570,500	7,570,000	8,509,950	60,550
	3,900,000	1,000,000	-	4,900,000	3,900,000	-
TOTAL	137,088,879	16,920,878	45,088,876	199,095,136	183,518,412	15,580,221

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The Constituency financial statements were approved on 5th September 2022 and signed by:



Fund Account Manager

Name: Alex Muinde Charles



National Sub-County Accountant

Name: Augustus Mulwa
ICPAK M/No:20453



Chairperson NG-CDF Committee

Name: Veronica Kajira

THE NATIONAL SUB-COUNTY ACCOUNTANT
THARAKA SOUTH
P.O. Box 36-60215,
MARIMANTI.

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2021 for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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XI. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO:B163876	12,000,000	
AIE NO:105301	33,000,000	
AIE NO:105569	44,000,000	
AIE NO:105941	22,000,000	
AIE NO:128713	5,000,000	
AIE NO:154221	12,000,000	
AIE NO:154442	18,000,000	
AIE NO:154496	24,088,879	
AIE NO:163876	12,088,876	
AIE NO:A823730		34,000,000
AIE NO:B104754		20,000,000
AIE NO:104964		7,797,724
AIE NO:B124674		9,000,000
AIE NO :B1248575		7,570,000
AIE NO:B119660		8,500,000
AIE NO:B128321		6,900,000
AIE NO:128049		12,000,000
AIE NO:B132052		6,000,000
AIE NO:132346		6,000,000
AIE NO:B126015		13,000,000
AIE NO :126307		7,000,000
AIE NO:105102		11,600,000
AIE NO:140746		12,000,000
TOTAL	182,177,756	161,367,724

2. Proceeds from Sale of Assets

	2021-2022	2020-2021
	KSh	KSh
Receipts from sale of Buildings	-	-
Total	-	-

3. Other Receipts

	2021-2022	2020-2021
	KSh	KSh
Interest Received	-	-
Rents	-	-
Total	-	-

Notes to the Financial Statements (Continued)

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,134,835	1,693,093
Leave allowance	60,000	50,000
Gratuity to contractual employees	637,506	693,254
Employer Contributions Compulsory national social security schemes	153,360	129,600
Total	2,985,701	2,565,947

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	1,953,449	3,246,955
Utilities, supplies and services	70,000	100,000
Communication, supplies and services	317,880	0
Domestic travel and subsistence	1,715,195	1,252,200
Printing, advertising and information supplies & services	683,195	202,215
Training expenses	1,593,551	1,086,254
Hospitality supplies and services	1,030,182	868,060
Insurance costs	324,745	-
Office and general supplies and services	1,030,187	457,565
Bank Charges	45,680	45,080
Routine maintenance - vehicles and other transport equipment	204,550	430,931
Routine maintenance - other assets	650,300	151,200
Fuel, oil and lubricants	1,017,387	1,184,328
Total	10,636,301	9,024,788

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Notes To The Financial Statements (Continued)

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	44,900,000	66,000,000
Transfers To Secondary Schools (See Attached List)	36,411,123	9,900,000
Transfers To Tertiary Institutions (See Attached List)	13,800,000	14,200,000
Total	95,111,123	90,200,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	19,485,761	12,152,392
Bursary – tertiary institutions (see attached list)	11,767,343	5,577,600
Bursary – special schools (see attached list)	4,981,500	1,148,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	10,200,000	7,400,000
Sports projects (see attached list)	5,483,555.20	-
Environment projects (see attached list)	2,741,777.60	5,489,131
Emergency projects (see attached list)	7,715,400	7,480,000
Total	62,375,336	39,247,123

8. Acquisition of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Refurbishment of Buildings	999,950	-
Purchase of Vehicles and Other Transport Equipment	7,510,000	-
Total	8,509,950	-

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Huduma center	3,900,000	8,000,000
Total	3,900,000	8,000,000

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Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	KSh	KSh
10A: Bank Accounts (Cash Book Bank Balance)	-	
<i>Cooperative bank chuka</i>		
Total	15,580,222	16,920,878
10 B: Cash on Hand		
Total	-	-
	-	-

11: Outstanding Imprests

Name of Office or Institution	Date Imprest Taken	Amount Taken	Amount Substantiated	Balance
		KSh	KSh	
-	-	-	-	-
Total	-	-	-	-

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KSh	KSh

[Provide short appropriate explanations as necessary]

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

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (30 th June 2020)
	Kshs	Kshs
Bank accounts	16,920,878	4,591,010
Total	16,920,878	4,591,010

14. Prior Year Adjustments

Description of the error	Balance by FY 2020/2021 as per Audited Financial statements	Adjustments	Balance by FY 2021/2022
	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Total	-	-	-

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	Kshs	Kshs
Outstanding Imprest as at 1 st July (A)	-	-
Changes in Account Receivables E= D-A	-	-

16. Changes in Accounts Payable – Deposits and Retentions

	2021-2022	2020-2021
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	KShc	
Deposit and Retentions as at 1 st July (A)	-	-
Changes in Accounts Payable E= D-E	-	-

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	92,678	202,848
Use of goods and services	101,945	1,274,904
Amounts due to other Government entities (see attached list)	12,088,000	40,000,000
Amounts due to other grants and other transfers (see attached list)	3,237,047	12,961,512
Acquisition of assets	60,550	7,570,500
Funds pending approval		
Total	15,580,222	62,009,764

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020/2021
	KShs	KShs
PMC account balances (see attached list)	5,332,918	6,161,538
Total		

Annexes
 Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
Grand Total					

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief transaction history	Outstanding balance 2021/2022	Outstanding balance 2020/2021	Funds were received late from NG CDF board
Compensation of employees	-			
Compensation of employees	Employees salaries	92,678	202,848.00	Funds were received late from NG CDF board
Sub total		92,678	202,848.00	
Use of goods and services				
Committee allowances	Committee allowances	-	45,071.00	Funds were received late from NG CDF board
Capacity building	Training expenses	-	318,648.00	Funds were received late from NG CDF board
Committee allowances	Committee allowances	-	598,462.00	Funds were received late from NG CDF board
Use of goods and services	use of goods	101,945	312,721.00	Funds were received late from NG CDF board
Sub total		101,945	1,274,902.00	
Amounts due to other government entities				
7.1 KIORU PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NG CDF board
7.2 UCWENI PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NG CDF board
7.3 KABUABUA PRIMARY SCHOOL	construction of classrooms		900,000.00	Funds were received late from NG CDF board
KAMATUMO PRIMARY SCHOOL	Construction of classrooms		300,000.00	Funds were received late from NG CDF board
7.4 KARAMBANI PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NG CDF board
7.8 MWANYANI PRIMARY SCHOOL	Renovation of classrooms		1,000,000.00	Funds were received late from NG CDF board
7.9 IRIMBA PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NG CDF board
8.2 NYAKINJERU PRIMARY SCHOOL	Renovation of classrooms		1,000,000	Funds were received late from NG CDF board
8.4 MATERI BOARDING	Purchase of school bus		7,200,000.00	Funds were received late from NG CDF board

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PRIMARY SCHOOL				
8.6 MUTARANGA PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
8.7 NDARUNI PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
8.8 KIERERA PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
8.9 KAMWATHU PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
9.0 KATHANGACHINI PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
9.1 GACEUNI PRIMARY SCHOOL	Construction of classrooms		900,000.00	Funds were received late from NGCDF board
9.2 IRUMA PRIMARY SCHOOL	Renovation of classrooms		1,000,000.00	Funds were received late from NGCDF board
9.3 GACIONGO PRIMARY SCHOOL	Construction of classrooms		2,000,000.00	Funds were received late from NGCDF board
9.6 GACERENI PRIMARY SCHOOL	Renovation of classrooms		1,000,000	Funds were received late from NGCDF board
10.1 RANCHA PRIMARY SCHOOL	Construction of Dormitory		2,000,000.00	Funds were received late from NGCDF board
8.1 NTOORONI SECONDARY SCHOOL	Completion of laboratory		1,500,000	Funds were received late from NGCDF board
8.3 TURIMA TWERU SECONDARY	Construction of dormitory		2,000,000	Funds were received late from NGCDF board
8.5 MATAKIRI SECONDARY SCHOOL	Renovation of classrooms		1,000,000	Funds were received late from NGCDF board
8.6 KAROCHO SECONDARY SCHOOL	Purchase of bus		7,200,000	Funds were received late from NGCDF board
9.1 NKONDI TEACHERS ADVISORY CENTER	Construction of an office		900,000	Funds were received late from NGCDF board
9.2 IRUNDUNI TEACHERS	Construction of two classrooms		2,000,000	Funds were received late from NGCDF board

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TRAINING COLLEGE				
Gatagani primary	Construction of a classroom	900,000	-	Funds were received late from NG CDF board
KAONGONI PRIMARY	Construction of a classroom	900,000	-	Funds were received late from NG CDF board
TURIMA PRIMARY	Renovation of four classroom	1,000,000	-	Funds were received late from NG CDF board
KARIINI PRIMARY	Construction of a classroom	900,000	-	Funds were received late from NG CDF board
KIORIMBA PRIMARY	Construction of admin block	1,000,000	-	Funds were received late from NG CDF board
MWERERA PRIMARY	Construction of a classroom	900,000	-	Funds were received late from NG CDF board
GACIONGO SECONDARY	Purchase of bus	4,300,000	-	Funds were received late from NG CDF board
KAARANI SECONDARY	Construction of dining hall	288,000	-	Funds were received late from NG CDF board
TSC THARAKA SOUTH	Construction of an office	1,000,000	-	Funds were received late from NG CDF board
Sub total		12,088,000	40,000,000	
Amounts due to other grants and transfers				
Emergency	Emergency cases	2,312,998	2,836,191	Funds were received late from NG CDF board
Secondary Schools	Award of bursaries	-	758,644	Funds were received late from NG CDF board
Tertiary Institutions	Award of bursaries	5,549	1,497,774	Funds were received late from NG CDF board
Special schools	Award of bursaries	18,500	327,117	Funds were received late from NG CDF board
5.0 Sports				Funds were received late from NG CDF board
5.1 RUUNGU PRIMARY SCHOOL	Levelling of school field	-	2,741,778	Funds were received late from NG CDF board
security				
10.2 KAMANYAKI ASSISTANT CHIEFS OFFICE	Construction of an office	-	900,000	Funds were received late from NG CDF board
10.4 NKARINI POLICE POST	Construction of an office	-	1,000,000	Funds were received late from NG CDF board
UTURINI ASS CHIEF	Construction of an office	-	900,000	Funds were received late from NG CDF board
10.7 GATUNGA POLICE STATION	Construction of police station	-	2,000,000	Funds were received late from NG CDF board
Twanthanjua Ass chief	Construction of an office	900,000		Funds were received late from NG CDF board

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Acquisition of assets				
11.1 Motor Vehicles (including motorbikes)	Purchase of toyota landcruiser	60,000	7,570,000	Funds were received late from NG CDF board
11.2 Construction of CDF office		550	500	Funds were received late from NG CDF board
Sub total		60,550	20,532,004	
Total		15,580,222	62,009,754	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	0	0		0
Buildings and structures	8,610,523	999,950	-	9,610,473
Transport equipment	4,579,250	7,510,000	(4,579,250)	7,510,000
Office equipment, furniture and fittings	425,000			425,000
ICT Equipment, Software and Other ICT Assets	563,795			563,795
Other Machinery and Equipment	199,500			199,500
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	14,378,068	8,509,950	(4,579,250)	18,308,768

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

PROJECT MANAGEMENT COMMITTEE	BANK	A/C NUMBER	2021/2022	2020/2021
KIRIMBU PRIMARY SCHOOL	Sidian Bank	1030030000471	0	22568.00
MUTONGA PRIMARY SCHOOL	Sidian Bank	1030030000231	0	50516.00
MWERERA ASSISTANT CHIEFS OFFICE	Sidian Bank	1030030000391	0	340551.00
NKONDI PRIMARY SCHOOL	Sidian Bank	1030030000291	0	70679.00
NTORONI PRIMARY SCHOOL	Sidian Bank	1030030000291	0	70679.00
TURIMA CHIEF'S OFFICE	Sidian Bank	1030030000371	0	76204.00
MARANTHIU PRIMARY SCHOOL	Sidian Bank	1030030000401	0	81987.00
MARIMANTI CIPU	Sidian Bank	1016030000232	0	815.00
MCK RUKURINI PRIMARY SCHOOL	Sidian Bank	1030030000461	0	406569.00
MUTAKIRI PRIMARY SCHOOL	Sidian Bank	1016030000182	0	57674.00
NG'ONYA MIXED DAY SECONDARY	Sidian Bank	1030030000191	0	199124.00
DEB THANANTU PRIMARY SCHOOL	Sidian Bank	1030030000551	0	347936.00
CCM KIIGANI PRIMARY SCHOOL	Sidian Bank	1030030000571	0	417595.00
KIARUNI PRIMARY SCHOOL	Sidian Bank	1030030000451	0	193470.00
GANCABI PRIMARY SCHOOL	Sidian Bank	1030030000251	0	48975.00
GACERENI PRIMARY SCHOOL	Sidian Bank	1030030000261	0	54000.00
GACERAKA ASSISTANT CHIEF'S OFFICE	Sidian Bank	1030030000271	0	17344.00

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GACHAINE PRIMARY SCHOOL	Sidian Bank	1030030000211	0	4755
GACIONGO SECONDARY SCHOOL	Sidian Bank	1030030000241	0	50617.00
GAKAME PRIMARY SCHOOL	Sidian Bank	1030030000341	0	36110.00
IBOTE PRIMARY SCHOOL	Sidian Bank	1030030000311	0	98763.00
KAANYAGA PRIMARY SCHOOL	Sidian Bank	1030030000171	0	1131655.00
IRUNDUNI -NTUGI EARTH DAM CDF PMC	Sidian Bank	1030030000161	0	23890
KAANYAGA PRIMARY SCHOOL	Sidian Bank	1030030000171	0	1131655.00
KAIGA KA MBITI PRIMARY SCHOOL	Sidian Bank	1030030000321	0	5690.00
KAMUJWA PRIMARY SCHOOL	Sidian Bank	1030030000361	0	48429.00
KARII KAMBURI SECONDARY SCHOOL	Sidian Bank	1030030000221	0	125934.00
KAROCHO ASSISTANT CHIEF'S OFFICE-PMC	Sidian Bank	1030030000331	0	40672.00
KAROCHO PRIMARY SCHOOL	Sidian Bank	1030030000381	0	54675.00
KATHANDENI PRIMARY SCHOOL	Sidian Bank	1030030000281	0	44319.00
TONYA POLICE CAMP NG CDF	Sidian Bank	1016030000582	0	1195.00
KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	Cooperative Bank	1141207740100	0	477,824
KATHANGACHINI MIXED SECONDARY SCHOOL	Cooperative Bank	1134058221100	0	8,850.00
DEB IRIA RIA MATHUNKA PRIMARY SCHOOL	Cooperative Bank	1141207821700	0	1,219.00
MUKOTHIMA PRIMARY SCHOOL	Cooperative Bank	1141207398300	0	80.530.00
NJUKINI PRIMARY SCHOOL	Cooperative Bank	1141207405600	0	88,253.00

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GAKAUNI PRIMARY SCHOOL	Cooperative Bank	1141207469500	0	4,785.00
NDURUMONI PRIMARY SCHOOL	Cooperative Bank	1141207477600	0	50,637.00
KIBUKA PRIMARY SCHOOL	Cooperative Bank	1141206997701	0	70,910.00
EAPC NYAAGARI PRIMARY SCHOOL	Cooperative Bank	1141207890400	0	67,224.00
NKONDI GIRLS SECONDARY SCHOOL	Cooperative Bank	1134058310302	0	63,159.00
MARIMANTI PRISON PROJECT MANAGEMENT	Cooperative Bank	1141207329300	0	1,975.00
KAGURINI PRIMARY SCHOOL	Cooperative Bank	1141207468600	0	2,433.00
KAMARANDI MIXED DAY SECONDARY SCHOOL	Cooperative Bank	1141057296400	0	354
CCM KATHUURA PRIMARY SCHOOL	Cooperative Bank	114158380900	0	68,870.00
Rukenya Primary School	Sidian bank	01016030000262	0	0
Marimanti Primary School	Sidian bank	01016030000252	0	0
Karou Primary School	Sidian bank	01016030000242	0	0
Tharaka South AP	Sidian bank	01016030000232	0	0
Gaciongo Primary	Sidian bank	01016030000222	0	0
Kiorimba Day	Sidian bank	01016030000212	0	0
Nturia Primary School	Sidian bank	01016030000202	0	0
Mutakiri Primary School	Sidian bank	01016030000182	0	0
Kirundi Primary	Sidian bank	01016030000102	0	0
Kamutuandu Primary	Sidian bank	01016030000112	0	0
Chiakariga Police	Sidian bank	01016030000282	0	0
Gatue Sec School	Sidian bank	01016030000151	0	0
Rwerigo Primary School	Sidian bank	01016030000262	0	0
Kiumbe Primary School	Sidian bank	01016030000422	0	0

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Kirigicha Police Post	Sidian bank	01016030000342	0	0
Rwakinanga Primary	Sidian bank	01016030000333	0	0
Gituri Primary School	Sidian bank	01016030000322	0	0
Ndiuni Primary School	Cooperative bank	01139058247206	0	0
Gaceraka Secondary School	Cooperative bank	01141207757500	0	0
Ndaruni Mixed Secondary School	Cooperative	01141058292400	0	0
Rancha Road	Cooperative	01141207329400	0	0
Mugui Secondary School	Cooperative	01141207399000	0	0
Mugui Ap Camp	Cooperative	01141207329500	0	0
Marimanti Prison	Cooperative	01141207329300	0	0
Ntoroni Ap Camp	Cooperative	01141207400200	0	0
Mukothima Primary	Cooperative	01141207398300	0	0
Turima Tweru AP Camp	Cooperative	01141207331200	0	0
Kamachabi Ap Camp	Cooperative	01141207324200	0	0
Kiamiramba Police Post	Cooperative	01141207323700	0	0
Njukini Primary	Cooperative	01141207405600	0	0
Kijege Primary	Cooperative	01141207405000	0	0
Matagatani Primary School	Cooperative	01141207402700	0	0
Ndaruni Mixed	Cooperative	01141058292400		0
Rwakarai primary	01030030000113	Sidian bank	106,491	0
ACC Chiakariga	01030030000691	Sidian bank	998,975.00	0
Karuguyuni primary	01030030000631	Sidian bank	55,216.00	0
Kiigani primary	01030030000571	Sidian bank	40,497.00	0.00
Rwerigo primary school	01030030000141	Sidian bank	0.20	0.00
Gaceuni primary	01030030000861	Sidian bank	3,985.00	0.00
DCC Chiakariga	01030030001008	Sidian bank	135.00	0
Thanantu primary	01030030000551	Sidian bank	274.00	0.00
Gacereni primary	01030030000261	Sidian bank	1,000,000.00	0.00
Gaciongo sec	01030030000022	Sidian bank	5655	0
Gacigogoni primary	01030030000651	Sidian bank	3035	0
Gakirwe ass Chief office	01030030001018	Sidian bank	57,352	0
Gakurungu primary	01030030001128	Sidian bank	302,657.0	0.00

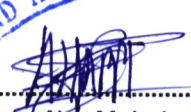
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school			0	
Gatunga police	01030030000781	Sidian bank	1,192,694.00	0.00
Irimba primary school	01030030000901	Sidian bank	40,009.00	0.00
Irunduni primary	01030030001118	Sidian bank	987,632.00	0.00
Kaanyaga primary school	01030030000171	Sidian bank	2,837.00	0.00
Kabuabua primary	01030030000941	Sidian bank	57,429.00	0.00
Kaiga kamwe primary	01030030000701	Sidian bank	48,065	0
Kamanyaki Ass chief	01030030001058	Sidian bank	42,181	0
Kamujwa primary	01030030000361	Sidian bank	163	0
Kamwathu primary	01030030000761	Sidian bank	41,749	0
Karambani primary	01030030001038	Sidian bank	42,383	0
Karocho chiefs office	01030030001168	Sidian bank	200,000	0
Kathangacini secondary	01030030000871	Sidian bank	6,051	0
Kinyingiri primary	01030030000441	Sidian bank	44,123	0
Kiorimba primary	01030030000212	Sidian bank	295	295
Kioru primary	01030030001068	Sidian bank	53,035	0
TOTAL			5,332,918	6,161,538

Annex 6: Progress On Follow Up on Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe :
1.0	Cash and cash equivalent	Stale cheques reversed	Resolved	Oct 2022
2.0	PMC balances	PMC bank reconciliations not yet provided	Not resolved	Oct 2022
3.0	Unconfirmed balances	Acknowledgement letters and receipts to be issued	Not resolved	Oct 2022
1.0-conclusion	Delayed completion of project	Project completed	Not resolved	Oct 2022
2.0-conclusion	Security project	Project completed	Not resolved	Oct 2022


 Name: Alex Muinde Charles
 Fund Account Manager
