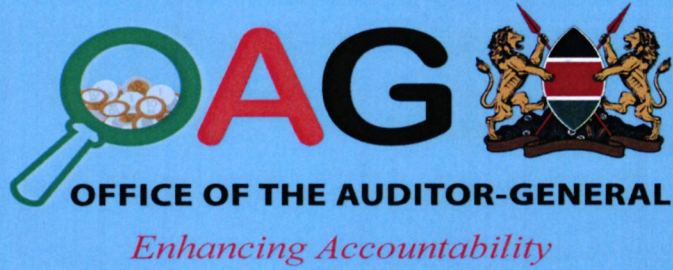


REPUBLIC OF KENYA



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

THE NATIONAL ASSEMBLY  
**THE AUDITOR-GENERAL**

DATE: 05 JUL 2023 DAY: WED

TABLED  
BY:

Hon Owen Bayo, **ON**  
Deputy Leader, majority party  
Finlaya Muriuki

CLERK-AT  
THE-TABLE:

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – KILIFI NORTH CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL  
P.O. Box 95202, MOMBASA  
06 APR 2023  
RECEIVED  
COAST REGIONAL OFFICE



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**KILIFI NORTH CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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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/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

### **Mandate**

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

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

***Kilifi North Constituency***

***National Government Constituencies Development Fund (NGCDF)***

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

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- 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 Kilifi North Constituency NGCDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)

***Kilifi North Constituency***

***National Government Constituencies Development Fund (NGCDF)***

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

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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 2022 and who had direct fiduciary responsibility were:

| No | Designation           | Name              |
|----|-----------------------|-------------------|
| 1. | A.I.E holder          | Gladys Ngala      |
| 2. | Sub-County Accountant | Aisha Mohammed    |
| 3. | Chairperson NGCDFC    | Jenter Kahindi    |
| 4. | Member NGCDFC         | Fredrick Kutakasa |

**(d) Fiduciary Oversight Arrangements**

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

**(e) Kilifi North Constituency NGCDF Headquarters**

P.O. Box 1852-80108  
Kilifi Malindi highway,  
Off Gede Road  
Opposite Watamu Primary School,  
Kilifi, KENYA

**(f) Kilifi North Constituency NGCDF Contacts**

Telephone: (254) 796824190  
E-mail: cdfkilifinorth@ngcdf.go.ke  
Website: www.ngcdf.go.ke

**(g) Kilifi North Constituency NGCDF Bankers**

1. Equity Bank  
Kilifi Branch  
Account Number 1060279716245  
P.O Box  
Kilifi, Kenya

**(h) Independent Auditors**

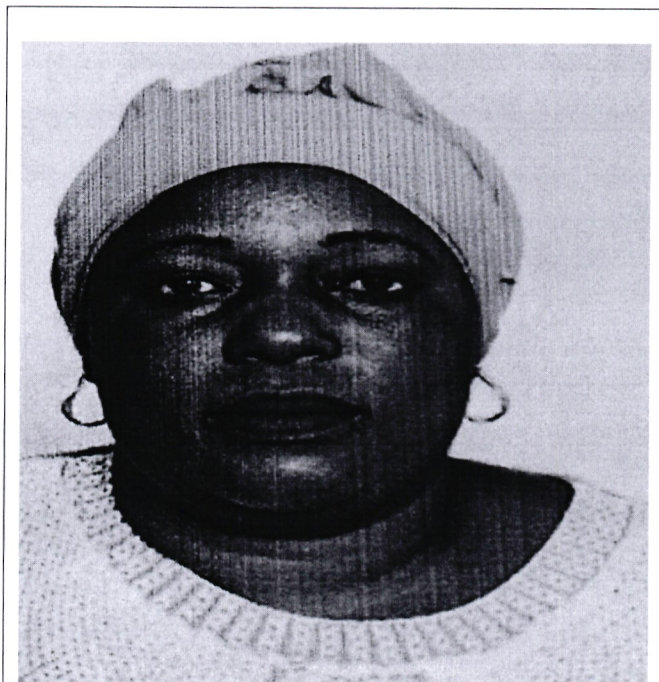
Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(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's Report



*JENTER KAHINDI, THE CHAIRPERSON*

I would like to take this opportunity to thank the inventor of the NGCDF Fund for the noble idea that has enabled us drive development to the grassroots not forgetting the Member of Parliament for his leadership, my fellow NGCDFC members and the Fund Account Manager whom we work with closely.

In the financial year 2021/2022 Kilifi North NGCDF has shown a great improvement in utilisation of available resources from 75.2% in 2020/2021 to around 93.6% in the current financial year.

Unfortunately, at the close of the financial year the Constituency had not yet received Ksh. 13,246,941 from the Board thus could not accomplish all projects as planned within the financial year.

### **Achievements**

This infrastructure development has changed the face of nearly all schools in the constituency leading to an increase in enrolment and retention of students.

Kilifi North has in the years allocated more than half of its allocation to education and has been able to achieve the following as at 30<sup>th</sup> June 2022.

#### *Primary school projects*

- Construction and Completion of seven (7) classrooms ; Jeza Zhomu, Takaungu and Mavueni primary schools
- Renovation and Completion of sixty three (63) classrooms ; Msabaha, Dabaso, Mbaraka chembe, Jacaranda Beach, Soyosoyo (Tezo), Bahari, Zowerani, Ngala , Kilimo, Kiwandani primary schools
- Construction and Completion of four (4) six door toilet blocks ; Mabuwani, Soyosoyo (Watamu), Gede and Reserve primary schools
- Supply of 120 desks to 3 primary schools; Mabuwani, Soyosoyo (Watamu) and Takaungu primary school.

#### *Secondary school projects*

- Construction and Completion of nine (9) classrooms ; Mkongani , Bofa , Kadzinuni and Konjora secondary schools.
- Construction and Completion of three (3) laboratories ; Fumbini, Marafiki, and Kiwandani secondary schools
- Supply of 690 desks to 5 secondary schools; Mkongani, Bofa , Soyosoyo , Korosho , Mkwajuni secondary schools.

#### **Challenges**

Among others Kilifi North has faced the following challenges:

- Delays in receipt of funds from the Board
- Delays in approval of reallocation of projects
- Delays in getting cost estimates and projects documents because of the devolvement of these services.

#### **Recommendation**

For the continuous success of the Fund in Kilifi North the Board should

- i) Disburse the funds timely, consider employment of Engineers in every constituency.
- ii) Provide a calendar of their meetings to the constituencies to ease follow up on reallocations
- iii) Communication to be done to constituencies immediately after these meetings
- iv) To employ engineers to be doing cost estimates for constituencies.

*Kilifi North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

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**Name: JENTER KAHINDI  
CHAIRPERSON NGCDF COMMITTEE**

### **III. Statement of Performance against Predetermined Objectives for FY 2021/22**

#### **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 Kilifi North Constituency 2018-2022 plan are to:

#### **1. Education**

##### **Objectives**

- Improve academic performance at all levels of education in the constituency.
- Increase transition rates from primary to secondary schools and from secondary to tertiary institutions.
- Improve infrastructure in schools to a modern and a child/ student friendly learning environment.
- Increase participation of parents in the education of their children.

#### **2. Youth , women and Girls**

##### **Objectives**

- Equip youth with life skills for social and economic development.
- Increase opportunities for developing and growing youth enterprises/businesses.
- Increase women's and girls' access to affordable credit for business capital.
- Increase access to information to the youth.
- Promote sporting activities in the constituency.

#### **3. Agriculture**

##### **Objectives**

- Increase food security within the constituency.
- Improve productivity of land and livestock.
- Increase production and productivity along selected agricultural value chains.
- Establish/support existing platforms for sharing agricultural information.
- Increase access to finance and markets to support the development of farming as a business.
- Improve capacity of farmers and extension services.
- Promote the use of information and communication technologies in agriculture and related services provided upstream and downstream in selected value chains.

**4. Health**

**Objectives**

- Expand infrastructure for health
- Increase coverage of essential health services
- Increase access to preventive health care
- Mobilize constituents to enrol with NHIF for universal health care

**5. Infrastructure and Security**

**Objectives**

- Increase rural electrification in the constituency.
- Improve the road network in the constituency.
- Improve security in the constituency.
- Increase access to clean drinking water.

**6. Collaboration, Partnerships and Legislative agenda**

**Objectives**

- Increase resources to meet development needs.
- Increase access to technical input.
- Address policy barriers and create enablers through legislation.

**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:

| <b>Constituency Program</b> | <b>Objective</b>                                    | <b>Outcome</b>   | <b>Indicator</b>   | <b>Performance</b>  |
|-----------------------------|---|--|--|---|
| Education                   | Improve access to quality education and performance | Improved academic performance, infrastructure in schools, increased transition rates from primary to secondary schools and | - number of usable physical infrastructure build in primary, secondary, and tertiary institutions<br>- number of bursary | In FY 21/22 -16 new classrooms, 4 toilets blocks were constructed, 3 laboratories in 3 schools were constructed ,690 lockers and 120 desks distributed to 8 schools<br><br>- 4060 students and more benefitted from |

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

|  |  |                                      |   |   |
|--|--|--------------------------------------|---|---|
|  |  | parents' participation in education. | beneficiaries at all levels<br>- number of community meetings held                                    | the bursary fund at all levels.   |
| Youth, Women and Girls                             | Improve Socio-Economic Empowerment of youth, Women and girls           |                                      | - Number of youth and women awarded with tenders<br>- Number of Innovation hubs established           | -women and youth companies were awarded tenders during the year.<br>-sports kits were distributed to 57 teams in the constituency   |
| Infrastructure and Security                        | Increase rural electrification, road network and improve security      |                                      | - Number of chiefs offices constructed and administration blocks                                      | -Two Assistant chiefs offices constructed ,one toilet block done in Assistant chief's offices<br>-One Administration office furnished with office desks, Chairs and cupboard<br><br>-One Administration office done constructed |
| Collaboration, Partnerships and Legislative agenda | Strengthen and expand strategic partnerships and resource mobilisation |                                      | - Amount equivalent of contribution by partners over the years<br>- Number of partnerships formalised | Ksh. 12.5 M allocated to St. Thomas Girls a co-funded projects with the school through the Ministry of Education  |
| Environment  |  |                                      | - Number of solar light done  | -Ten (10) 10,000 litres water tanks installed in 10 schools   |
| Emergency  |  |                                      | - Number of emergency cases addressed   | -Three school at the verge of being shut were renovated   |

#### **IV. Environmental and Sustainability Reporting**

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

##### **1. Sustainability strategy and profile -**

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

###### **a. Education and Training:**

Kilifi North NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.

###### **b. Security Sector Support:**

Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.

###### **c. Environment:**

The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

**d. Sports:**

The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

**2. Environmental performance**

**Environmental Policy and Action plan**

An environmental policy forms the foundation of environmental improvements made for Kilifi North Constituency’s operations.

It sets out our key aims and principles which include:

- helping you to stay within the law
- improving information for employees about their environmental roles and responsibilities
- improving cost control
- reducing incidents that result in liability
- conserving raw materials and energy
- improving your monitoring of environmental impacts
- improving the efficiency of your processes

**Environmental action plan**

| <b>Objective</b>                                 | <b>Approach</b>   |
|--|---|
| <b>Capacity building</b>                         | <ul style="list-style-type: none"> <li>• Awareness by training staff on the contents of the environmental policy</li> <li>• Regular communication on changes or review of policy</li> <li>• Sticking environmental write ups to the walls, on banners during sports tournaments and office compounds</li> </ul> |
| <b>Conservation of energy and resources</b>      | <ul style="list-style-type: none"> <li>• Encourage water harvesting by buying and installation of water tanks to schools</li> <li>• Encourage alternative source of power by installing solar panels to schools where there’s no electricity</li> </ul>   |
| <b>Environmental protection and Conservation</b> | <ul style="list-style-type: none"> <li>• Encourage tree planting and water</li> </ul>   |



|   |   |
|---|---|
|   | conservation.   |
| <b>Pollution control and waste management</b> | <ul style="list-style-type: none"><li>• Ensure proper sanitation through construction of toilets</li><li>• Ensure cost control through recycling of paper</li></ul> |

### **3. Employee welfare**

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kilifi North constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

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

Kilifi North NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

**5. Community Engagements-**

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

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

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


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

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

**Public Awareness**

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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



.....  
**GLADYS NGALA**

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

The Accounting Officer in charge of the NGCDF-Kilifi North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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-Kilifi North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kilifi North Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kilifi North Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under

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

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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- Kilifi North Constituency financial statements were approved and signed by the Accounting Officer on 15<sup>th</sup> March 2023.



.....  
**Name: JENTER KAHINDI**  
**Chairperson – NGCDF Committee**



.....  
**Name: GLADYS NGALA**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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*Enhancing Accountability*

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P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KILIFI NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for 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 - Kilifi North Constituency set out on pages 1 to 47, which comprise the statement of assets and liabilities as at 30 June, 2022, and the

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*Report of the Auditor-General on National Government Constituencies Development Fund - Kilifi North Constituency for the year ended 30 June, 2022*

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

In my opinion, except for the effects of the matter 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 - Kilifi North Constituency as at 30 June, 2022, and its financial performance and 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**

#### **Other Grants and Transfers**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.71,034,148 in respect of other grants and transfers. Included in this amount is bursary - tertiary institutions of Kshs.13,620,476, out records provided for enrollment for driving revealed that the bursary applicants requested for bursary after enrolling in various driving schools. Management did not provide evidence of vetting of the applicants to confirm their eligibility. Further, out of Kshs.272,000 paid to the driving schools as bursaries, an amount of Kshs.182,000 was not supported by acknowledgement receipts. Further, no evidence was provided to confirm completion of the training and award of driving licenses to the beneficiaries.

In the circumstances, the occurrence and completeness of other grants and transfers amount of Kshs 71,034,148 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 - Kilifi North 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.

### **Emphasis of Matter**

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

The summary statement of appropriation reflects final receipts budget and actual on a comparable basis of Kshs.205,440,758 and Kshs.192,193,817 respectively, resulting in an under-funding of Kshs.13,246,941 (6%) percent of the budget. Similarly, the Fund expended Kshs.185,372,177 against an approved budget of Kshs.205,440,758, resulting in an under-expenditure of Kshs.20,068,581 (10%) percent of the budget.

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

## **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**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised. Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided satisfactory explanation for the delay in resolving the audit issues.

## **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 matter 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**

#### **Delayed Project Implementation**

The statement of receipts and payments and as disclosed Note 6 to the financial statements reflects an amount of Kshs.102,677,277 in respect of transfers to other Government Units. Included in this amount is transfers to secondary schools of Kshs.45,433,552, out of which Kshs.6,000,000 was in respect of construction of a secondary school at Gede Primary School. Review of records provided and an interview with the Fund's Clerk of Works revealed that the contract for the construction of a storey building consisting of eight (8) classrooms for sixty five (65) persons and administration section was awarded on 19 August, 2021 at a contract sum of Kshs.19,991,685 but the project had not started as at March 2023 due to an ongoing dispute over ownership of the land on which the building was to be erected.

Management did not explain why the contract was advertised and awarded before obtaining the land ownership documents and consulting the relevant Government Department on the ownership status of the land. This is contrary to Regulation 15(1) of the NGCDF Regulations, 2016, which states that, 'there shall be appointed a Project Management Committee for each project in a Constituency in accordance with Section 36 of the Act which shall implement projects in consultation with the relevant departments of government'.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Failure to Provide for Retention Money**

The statement of receipts and payments reflects transfers to other Government units of Kshs.102,677,277 as disclosed in Note 6 to the financial statements. However, the tender forms/documents for fifty-three (53) projects with a total expenditure of Kshs.93,077,276 did not provide for retention money under special or general conditions of the contract to cater for defects before expiry of the defects liability period. This exposed the Fund to risk of poor workmanship without recourse.

In the circumstances, in case of poor workmanship, the risk of funds loss is high.

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

### **Responsibilities of Management and the Project Management Committee**

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 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.

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

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

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

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

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

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

I communicate with 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 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

14 June, 2023

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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


**VII. Statement of Receipts and Payments for the Year Ended 30th June 2022**

|                                     | Note | 2021-2022          | 2020-2021          |
|-------------------------------------|------|--------------------|--------------------|
|                                     |      | Kshs               | Kshs               |
| <b>RECEIPTS</b>                     |      |                    |                    |
| Transfers from NGCDF Board          | 1    | 176,298,541        | 155,000,000        |
| Proceeds from Sale of Assets        | 2    | -                  | -                  |
| Other Receipts                      | 3    | 83,400             | 4,086,257          |
|                                     |      |                    |                    |
| <b>TOTAL RECEIPTS</b>               |      | <b>176,381,941</b> | <b>159,086,257</b> |
| <b>PAYMENTS</b>                     |      |                    |                    |
|                                     |      |                    |                    |
| Compensation of employees           | 4    | 3,440,503          | 4,269,446          |
| Use of goods and services           | 5    | 8,220,249          | 9,262,445          |
| Transfers to Other Government Units | 6    | 102,677,277        | 68,657,152         |
| Other grants and transfers          | 7    | 71,034,148         | 64,759,725         |
| Acquisition of Assets               | 8    | -                  | 229,706            |
| Other Payments                      | 9    | -                  | -                  |
|                                     |      |                    |                    |
| <b>TOTAL PAYMENTS</b>               |      | <b>185,372,177</b> | <b>147,178,474</b> |
|                                     |      |                    |                    |
| <b>SURPLUS/DEFICIT</b>              |      | <b>(8,990,236)</b> | <b>11,907,783</b>  |

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

The Constituency financial statements were approved on 15<sup>TH</sup> March 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager

  
\_\_\_\_\_  
National Sub-County  
Accountant

  
\_\_\_\_\_  
Chairperson NG-CDF  
Committee

Name: GLADYS NGALA

Name: AISHA MOHAMMED  
ICPAK M/No: 21016

Name: JENTER KAHINDI


**VIII. Statement of Assets and Liabilities as At 30<sup>th</sup> June, 2022**


|  | Note | 2021-2022<br>Kshs | 2020-2021<br>Kshs |
|--|------|-------------------|-------------------|
| <b>FINANCIAL ASSETS</b>                |      |                   |                   |
| <b>Cash and Cash Equivalents</b>       |      |                   |                   |
| Bank Balances ( as per the cash book)  | 10A  | 6,821,640         | 15,811,876        |
| Cash Balances (cash at hand)           | 10B  | -                 | -                 |
| <b>Total Cash and Cash Equivalents</b> |      | <b>6,821,640</b>  | <b>15,811,876</b> |
| <b>Accounts Receivable</b>             |      |                   |                   |
| Outstanding Imprests                   | 11   | -                 | -                 |
| <b>TOTAL FINANCIAL ASSETS</b>          |      | <b>6,821,640</b>  | <b>15,811,876</b> |
| <b>FINANCIAL LIABILITIES</b>           |      |                   |                   |
| <b>Accounts Payable (Deposits)</b>     |      |                   |                   |
| Retention                              | 12A  | -                 | -                 |
| Gratuity                               | 12B  | -                 | 525,197           |
| <b>NET FINANCIAL SSETS</b>             |      | <b>6,821,640</b>  | <b>16,337,073</b> |
| <b>REPRESENTED BY</b>                  |      |                   |                   |
| Fund balance b/fwd 1st July...         | 13   | 15,811,876        | 3,904,093         |
| Prior year adjustments                 | 14   | -                 | 525,197           |
| Surplus/Defict for the year            |      | (8,990,236)       | 11,907,783        |
| <b>NET FINANCIAL POSITION</b>          |      | <b>6,821,640</b>  | <b>16,337,073</b> |

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

The Constituency financial statements were approved on 15<sup>TH</sup> MARCH 2023 and signed by:

  
 \_\_\_\_\_  
**Fund Account Manager**

  
 \_\_\_\_\_  
**National Sub-County  
 Accountant**

  
 \_\_\_\_\_  
**Chairman NG-CDF  
 Committee**

**Name: GLADYS NGALA**

**Name: AISHA MOHAMMED  
 ICPAK M/No: 21016**

**Name: JENTER KAHINDI**

**IX. Statement of Cash Flows for the Year Ended 30th June 2022**

|   |    | 2021-2022          | 2020-2021          |
|---|----|--------------------|--------------------|
|   |    | Kshs               | Kshs               |
| <b>Receipts from operating activities</b>         |    |                    |                    |
| Transfers from NGCDF Board                        | 1  | 176,298,541        | 155,000,000        |
| Other Receipts                                    | 3  | 83,400             | 4,086,257          |
|   |    | <b>176,381,941</b> | <b>159,086,257</b> |
| <b>Payments for operating activities</b>          |    |                    |                    |
| Compensation of Employees                         | 4  | 3,440,503          | 4,269,446          |
| Use of goods and services                         | 5  | 8,220,249          | 9,262,445          |
| Transfers to Other Government Units               | 6  | 102,677,277        | 68,657,152         |
| Other grants and transfers                        | 7  | 71,034,148         | 64,759,725         |
| Other Payments                                    | 9  | -                  | -                  |
|   |    | <b>185,372,177</b> | <b>146,948,768</b> |
| <b>Adjusted for:</b>                              |    |                    |                    |
| Decrease/(Increase) in Accounts receivable        | 15 | -                  | -                  |
| Increase/(Decrease) in Accounts Payable           | 16 | -                  | -                  |
| Prior year Adjustments                            | 14 |                    |                    |
| <b>Net Adjustments</b>                            |    | -                  | -                  |
| <b>Net cash flow from operating activities</b>    |    | <b>(8,990,236)</b> | <b>12,137,489</b>  |
| <b>CASHFLOW FROM INVESTING ACTIVITIES</b>         |    |                    |                    |
| Proceeds from Sale of Assets                      | 2  | -                  | -                  |
| Acquisition of Assets                             | 8  | -                  | (229,706)          |
| <b>Net cash flows from Investing Activities</b>   |    | -                  | <b>(229,706)</b>   |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>   |    | <b>(8,990,236)</b> | <b>11,907,783</b>  |
| Cash and cash equivalent at BEGINNING of the year | 10 | 15,811,876         | 3,904,093          |
| Cash and cash equivalent at END of the year       |    | <b>6,821,640</b>   | <b>15,811,876</b>  |

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

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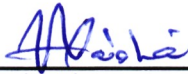
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 15<sup>th</sup> March 2023 and signed by:



**Fund Account Manager**

**Name: GLADYS NGALA**



**National Sub-County  
Accountant**

**Name: AISHA MOHAMMED  
ICPAK M/No: 21016**



**Chairperson NG-CDF  
Committee**

**Name: JENTER KAHINDI**

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

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

| Receipt/Expense Item                | Original Budget    | Adjustments                                  | Final Budget       | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|--------------------|--|--------------------|----------------------------|-------------------------------|------------------|
|                                     | a                  | b  | c=a+b              | d                          | e=c-d                         | f=d/c %          |
| <b>RECEIPTS</b>                     |                    |  |                    |                            |                               |                  |
| Transfers from NG-CDF Board         | 137,088,879        | Opening Balance (C/Bk) and AIA<br>15,811,876 | 205,357,358        | 192,110,417                | 13,246,941                    |                  |
| Proceeds from Sale of Assets        |                    | 52,456,603                                   | 0                  | -                          | -                             | 0.0%             |
| Other Receipts                      |                    | 83,400                                       | 83,400             | 83,400                     | -                             | 100.0%           |
| <b>TOTAL RECEIPTS</b>               | <b>137,088,879</b> | <b>15,895,276</b>                            | <b>205,440,758</b> | <b>192,193,817</b>         | <b>13,246,941</b>             | <b>93.6%</b>     |
| <b>PAYMENTS</b>                     |                    |  |                    |                            |                               |                  |
| Compensation of Employees           | 3,707,907          | 1,433,416                                    | 6,293,936          | 3,440,503                  | 2,853,433                     | 54.7%            |
| Use of goods and services           | 8,630,091          | 1,797,816                                    | 10,427,907         | 8,220,249                  | 2,207,658                     | 78.8%            |
| Transfers to Other Government Units | 75,514,228         | 500,000                                      | 104,186,228        | 102,677,277                | 1,508,951                     | 98.6%            |
| Other grants and transfers          | 49,236,653         | 12,494,474                                   | 72,907,239         | 71,034,148                 | 1,873,091                     | 97.4%            |
| Acquisition of Assets               | 0                  | 0  | 0                  | -                          | -                             | 0.0%             |
| Other Payments                      | 0                  | -  | 0                  | -                          | -                             | 0.0%             |
| Funds pending approval              | 0                  | 1,467,386                                    | 11,625,448         | -                          | 11,625,448**                  | 0.0%             |
| <b>TOTAL</b>                        | <b>137,088,879</b> | <b>15,895,276</b>                            | <b>205,440,758</b> | <b>185,372,177</b>         | <b>20,068,581</b>             | <b>90.2%</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.*



**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

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

| Description   | Amount       |
|---|--------------|
| Budget utilization difference totals                                  | 20,068,581   |
| Less undisbursed funds receivable from the Board as at 30th June 2022 | (13,246,941) |
|   | 6,821,240    |
| Add Accounts payable  | 0            |
| Less Accounts Receivable  | 0            |
| Add/Less Prior Year Adjustments                                       | 0            |
| Cash and Cash Equivalents at the end of the FY 2021/2022              | 6,821,240    |

The Constituency financial statements were approved on 15th March 2023 and signed by:



**Fund Account Manager**

**Name: GLADYS NGALA**



**National Sub-County Accountant**

**Name: AISHA MUCHILE  
ICPAK M/No: 21016**



**Chairperson NG-CDF Committee**

**Name: JENTER KAHINDI**

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

**XI. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2022**

| Programme/Sub-programme                 | Original Budget(a)<br>2021/2022 | Adjustments(b)                 |  | Final Budget c = (a+b) | Actual on comparable basis(d)<br>30/06/2022 | Budget utilization difference(e = c-d) |
|---|---------------------------------|--------------------------------|--|------------------------|---|--|
|   |                                 | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements |                        |   |  |
|   | Kshs                            |                                | Kshs                                     | Kshs                   | Kshs  | Kshs                                   |
| <b>1.0 Administration and Recurrent</b> |                                 |                                |  |                        |   |  |
| 1.1 Compensation of employees           | 3,707,907.00                    | 1,433,416.00                   | 1,152,613.00                             | 6,293,936.00           | 3,440,503.00                                | 2,853,433.00                           |
| 1.2 Committee allowances                | 1,300,000.00                    |                                | 300,000.00                               | 1,600,000.00           | 1,588,488.00                                | 11,512.00                              |
| 1.3 Use of goods and services           | 3,217,425.00                    |                                | 1,447,814.00                             | 4,665,239.00           | 2,859,761.00                                | 1,805,478.00                           |
| <b>Total</b>                            | <b>8,225,332.00</b>             | <b>1,433,416.00</b>            | <b>2,900,427.00</b>                      | <b>12,559,175.00</b>   | <b>7,888,752.00</b>                         | <b>4,670,423.00</b>                    |
| <b>2.0 Monitoring and evaluation</b>    |                                 |                                |  |                        |   |  |
| 2.1 Capacity building                   | 2,500,000.00                    | -                              |  | 2,500,000.00           | 2,500,000.00                                | -                                      |
| 2.2 Committee allowances                | 1,272,000.00                    | -                              |  | 1,272,000.00           | 1,272,000.00                                | -                                      |
| 2.3 Use of goods and services           | 340,666.00                      | -                              | 50,002.00                                | 390,668.00             | -   | 390,668.00                             |
| <b>Total</b>                            | <b>4,112,666.00</b>             | <b>-</b>                       | <b>50,002.00</b>                         | <b>4,162,668.00</b>    | <b>3,772,000.00</b>                         | <b>390,668.00</b>                      |
| <b>3.0 Emergency</b>                    |                                 |                                |  |                        |   |  |
| 3.1 Soyosoyo Primary School             | 2,400,000.00                    |                                |  | 2,400,000.00           | 2,400,000.00                                | -                                      |
| 3.2 Uyombo primary school               | 3,292,207.00                    |                                |  | 3,292,207.00           | 3,292,207.00                                | -                                      |
| 3.3 Mkombe primary school               | 1,500,000.00                    |                                |  | 1,500,000.00           | 1,500,000.00                                | -                                      |
| 3.4 FB Tuva Secondary                   |                                 |                                |  |                        |   |  |

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

|   |                      |                     |                     |          |                      |                      |          |
|---|----------------------|---------------------|---------------------|----------|----------------------|----------------------|----------|
| school                                  |                      | 2,200,000.00        |                     |          | 2,200,000.00         | 2,200,000.00         | -        |
| 3.5 Tertiary institutions               |                      |                     |                     |          |                      |                      | -        |
| 3.6 Security projects                   |                      |                     |                     |          |                      |                      | -        |
| <b>Total</b>                            | <b>7,192,207.00</b>  | <b>2,200,000.00</b> | <b>-</b>            | <b>-</b> | <b>9,392,207.00</b>  | <b>9,392,207.00</b>  | <b>-</b> |
| <b>4.0 Bursary and Social Security</b>  |                      |                     |                     |          |                      |                      |          |
| 4.1 Secondary Schools                   | 25,000,000.00        | 8,394,475.00        | 3,046,008.00        |          | 36,440,483.00        | 36,440,483.00        | -        |
| 4.2 Tertiary Institutions               | 7,650,000.00         |                     | 4,406,993.00        |          | 12,056,993.00        | 12,056,993.00        | -        |
| 4.3 Social Security                     | -                    |                     |                     |          | -                    | -                    | -        |
| 4.4 Special Needs                       | 1,750,000.00         |                     |                     |          | 1,750,000.00         | 1,750,000.00         | -        |
| <b>Total</b>                            | <b>34,400,000.00</b> | <b>8,394,475.00</b> | <b>7,453,001.00</b> | <b>-</b> | <b>50,247,476.00</b> | <b>50,247,476.00</b> | <b>-</b> |
| <b>5.0 Sports</b>                       |                      |                     |                     |          |                      |                      |          |
| 5.1 Sports clubs                        | 1,500,000.00         | -                   |                     |          | 1,500,000.00         | 1,500,000.00         | -        |
| <b>Total</b>                            | <b>1,500,000.00</b>  | <b>-</b>            | <b>-</b>            | <b>-</b> | <b>1,500,000.00</b>  | <b>1,500,000.00</b>  | <b>-</b> |
| <b>6.0 Environment</b>                  |                      |                     |                     |          |                      |                      |          |
| 6.1 Madevu Primary School               |                      | 250,000.00          |                     |          | 250,000.00           | 250,000.00           | -        |
| 6.2 Arabuko Primary School              |                      | 250,000.00          |                     |          | 250,000.00           | 250,000.00           | -        |
| 6.3 Mtsanganyiko Primary School         |                      | 250,000.00          |                     |          | 250,000.00           | 250,000.00           | -        |
| 6.4 Jacaranda Beach Primary School      |                      | 249,999.00          |                     |          | 249,999.00           | 249,999.00           | -        |
| 6.5 Deputy County Commissioner's Office | 250,000.00           |                     |                     |          | 250,000.00           | 250,000.00           | -        |
| 6.6 Mabuwani Primary School             | 250,000.00           |                     |                     |          | 250,000.00           | 250,000.00           | -        |
| 6.7 Reserve Primary School              | 250,000.00           |                     |                     |          | 250,000.00           | 250,000.00           | -        |

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

|                                      |                     |                   |                   |                     |                     |            |
|--------------------------------------|---------------------|-------------------|-------------------|---------------------|---------------------|------------|
| 6.8 Kiwandani Secondary School       | 250,000.00          |                   |                   | 250,000.00          | 250,000.00          | -          |
| 6.9 Korosho Secondary school         | 250,000.00          |                   |                   | 250,000.00          | 250,000.00          | -          |
| 6.10 Soyosoyo Secondary school       | 250,000.00          |                   |                   | 250,000.00          | 250,000.00          | -          |
| 6.11 Jimba Gede primary school       | -                   | 400,000.00        |                   | 400,000.00          | 400,000.00          | -          |
| <b>Total</b>                         | <b>1,500,000.00</b> | <b>999,999.00</b> | <b>400,000.00</b> | <b>2,899,999.00</b> | <b>2,899,999.00</b> | <b>-</b>   |
| <b>7.0 Primary Schools Projects</b>  |                     |                   |                   |                     |                     |            |
| 7.1 Msabaha Primary School           | 1,200,208.00        |                   | 2,400,000.00      | 3,600,208.00        | 3,600,208.00        | -          |
| 7.2 Dabaso Primary School            | 1,986,234.00        |                   |                   | 1,986,234.00        | 1,986,234.00        | -          |
| 7.3 Mbaraka Chembe Primary School    | 2,400,286.00        |                   | 700,000.00        | 3,100,286.00        | 3,100,286.00        | -          |
| 7.4 Mabuwani Primary School (Toilet) | 1,500,000.00        |                   |                   | 1,500,000.00        | 1,500,000.00        | -          |
| 7.5 Jacaranda Beach Primary School   | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,366,040.00        | 33,960.00  |
| 7.6 Soyosoyo Primary School-Watamu   | 1,500,000.00        |                   |                   | 1,500,000.00        | 1,500,000.00        | -          |
| 7.7 Gede Primary School              | 1,500,000.00        |                   |                   | 1,500,000.00        | 1,500,000.00        | -          |
| 7.8 Soyosoyo Primary School-Tezo     | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,365,611.00        | 34,389.00  |
| 7.9 Bahari Primary School            | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,400,000.00        | -          |
| 7.10 Zowerani Primary School         | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,236,039.00        | 163,961.00 |
| 7.11 Ngala Primary School            | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,400,000.00        | -          |
| 7.12 Ngerenya Primary School         | 2,400,000.00        | -                 |                   | 2,400,000.00        | 2,400,000.00        | -          |
| 7.13 Mavueni Primary School          | 3,600,000.00        |                   |                   | 3,600,000.00        | 3,589,307.00        | 10,693.00  |
| 7.14 Takaungu Primary School         | 2,400,000.00        |                   |                   | 2,400,000.00        | 2,400,000.00        | -          |
| 7.15 Reserve Primary School          | 1,500,000.00        |                   |                   | 1,500,000.00        | 1,500,000.00        | -          |

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

|                                      |                      |            |                     |          |                      |                      |                   |
|--------------------------------------|----------------------|------------|---------------------|----------|----------------------|----------------------|-------------------|
| 7.16 Kilimo Primary School           | 1,200,000.00         |            |                     |          | 1,200,000.00         | 1,200,000.00         | -                 |
| 7.17 Jeza Zhomu Primary School       | 2,400,000.00         |            |                     |          | 2,400,000.00         | 2,400,000.00         | -                 |
| 7.18 Kiwandani Primary School        | 2,400,000.00         |            |                     |          | 2,400,000.00         | 2,400,000.00         | -                 |
| 7.19 Mabuani Primary School          | 200,000.00           |            |                     |          | 200,000.00           | 200,000.00           | -                 |
| 7.20 Soyosoyo Primary School-Watamu  | 200,000.00           |            |                     |          | 200,000.00           | 200,000.00           | -                 |
| 7.21 Takaungu Primary School         | 200,000.00           |            |                     |          | 200,000.00           | 200,000.00           | -                 |
| 7.22 Mabuani Primary School          | -                    |            | 2,200,000.00        |          | 2,200,000.00         | 2,200,000.00         | -                 |
| 7.23 Mabuani Primary School (Land)   | -                    |            | 1,500,000.00        |          | 1,500,000.00         | 1,500,000.00         | -                 |
| 7.24 Old Ferry primary school        | -                    |            | 900,000.00          |          | 900,000.00           | 900,000.00           | -                 |
| 7.25 Mitangoni primary school        | -                    |            | 1,200,000.00        |          | 1,200,000.00         | 1,200,000.00         | -                 |
| <b>Total</b>                         | <b>38,586,728.00</b> | <b>-</b>   | <b>8,900,000.00</b> | <b>-</b> | <b>47,486,728.00</b> | <b>47,243,725.00</b> | <b>243,003.00</b> |
| <b>8.0 Secondary school Projects</b> |                      |            |                     |          |                      |                      |                   |
| 8.1 Kilifi secondary school          |                      | 500,000.00 |                     |          | 500,000.00           | 500,000.00           | -                 |
| 8.2 Mkongani Secondary School        | 3,600,000.00         |            |                     |          | 3,600,000.00         | 3,600,000.00         | -                 |
| 8.3 Mkongani Secondary School        | 1,500,000.00         |            |                     | -        | 1,500,000.00         | 1,500,000.00         | -                 |
| 8.4 Marafiki Secondary School        | 5,112,500.00         |            |                     |          | 5,112,500.00         | 5,112,500.00         | -                 |
| 8.5 Bofa Secondary School            | 2,400,000.00         |            |                     |          | 2,400,000.00         | 2,275,450.00         | 124,550.00        |
| 8.6 Soyosoyo Secondary School        | 1,500,000.00         |            |                     |          | 1,500,000.00         | 1,500,000.00         | -                 |
| 8.7 Kadzinuni Secondary School       | 2,400,000.00         |            |                     |          | 2,400,000.00         | 2,275,450.00         | 124,550.00        |
| 8.8 Fumbini Secondary School         | 4,912,500.00         |            |                     |          | 4,912,500.00         | 4,895,652.00         | 16,848.00         |
| 8.9 Konjora Secondary School         | 2,400,000.00         |            |                     |          | 2,400,000.00         | 2,400,000.00         | -                 |

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

|  |                      |                   |                      |                      |                      |                     |
|--|----------------------|-------------------|----------------------|----------------------|----------------------|---------------------|
| 8.10 Korosho Secondary School              | 1,500,000.00         |                   |                      | 1,500,000.00         | 1,500,000.00         | -                   |
| 8.11 Kiwandani Secondary School            | 4,912,500.00         |                   |                      | 4,912,500.00         | 4,912,500.00         | -                   |
| 8.12 Mdzongoloni Secondary School          | 1,500,000.00         |                   | -                    | 1,500,000.00         | 1,500,000.00         | -                   |
| 8.13 Mkongani Secondary School             | 1,260,000.00         |                   | -                    | 1,260,000.00         | 1,260,000.00         | -                   |
| 8.13 Marafiki Secondary School             | 180,000.00           |                   | -                    | 180,000.00           | 180,000.00           | -                   |
| 8.14 Bofa Secondary School                 | 1,050,000.00         |                   | -                    | 1,050,000.00         | 1,050,000.00         | -                   |
| 8.15 Soyosoyo Secondary School             | 840,000.00           |                   |                      | 840,000.00           | 840,000.00           | -                   |
| 8.16 Korosho Secondary School              | 840,000.00           |                   |                      | 840,000.00           | 840,000.00           | -                   |
| 8.17 Kiwandani Secondary School            | 180,000.00           |                   |                      | 180,000.00           | 180,000.00           | -                   |
| 8.18 Mkwajuni Secondary School             | 840,000.00           |                   |                      | 840,000.00           | 840,000.00           | -                   |
| 8.19 Mkwajuni Secondary School             | -                    |                   | 672,000.00           | 672,000.00           | 672,000.00           | -                   |
| 8.20 Gede Mixed secondary School           | -                    |                   | 7,000,000.00         | 7,000,000.00         | 6,000,000.00         | 1,000,000.00        |
| 8.21 Gede Mixed secondary School           | -                    |                   | 1,600,000.00         | 1,600,000.00         | 1,600,000.00         | -                   |
| <b>Total</b>                               | <b>36,927,500.00</b> | <b>500,000.00</b> | <b>9,272,000.00</b>  | <b>46,699,500.00</b> | <b>45,433,552.00</b> | <b>1,265,948.00</b> |
| <b>9.0 Tertiary institutions projects</b>  |                      |                   |                      |                      |                      |                     |
| 9.1 Kilifi North Tech & Vocational College |                      |                   | 10,000,000.00        | 10,000,000.00        | 10,000,000.00        | -                   |
| <b>Total</b>                               |                      |                   | <b>10,000,000.00</b> | <b>10,000,000.00</b> | <b>10,000,000.00</b> | <b>-</b>            |
| <b>10.0 Security projects</b>              |                      |                   |                      |                      |                      |                     |
| 10.1 Ngerenya Chiefs office                | -                    | 900,000.00        |                      | 900,000.00           | 900,000.00           | -                   |
| 10.2 Matsangoni Divisional Headquarters    | 2,044,446.00         |                   |                      | 2,044,446.00         | 2,044,446.00         | -                   |
| 10.3 Matsangoni Divisional Headquarters    | 500,000.00           |                   |                      | 500,000.00           | 500,000.00           | -                   |

**Kilifi North Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

|   |                       |                      |                      |  |                      |                       |                      |
|---|-----------------------|----------------------|----------------------|--|----------------------|-----------------------|----------------------|
| 10.4 Dabaso Assistant Chief's office    | 1,500,000.00          |                      |                      |  | 1,500,000.00         | 1,488,001.00          | 11,999.00            |
| 10.5 Dabaso Assistant Chief's office    | 600,000.00            |                      |                      |  | 600,000.00           | 588,908.00            | 11,092.00            |
| 10.6 Kilifi North Sub-County DCC office |                       |                      | 2,323,111.00         |  | 2,323,111.00         | 1,473,111.00          | 850,000.00           |
| 10.7 Mayungu police post                |                       |                      | 500,000.00           |  | 500,000.00           | -                     | 500,000.00           |
| 10.8 Gede Resource centre               |                       |                      | 500,000.00           |  | 500,000.00           | -                     | 500,000.00           |
| <b>Total</b>                            | <b>4,644,446.00</b>   | <b>900,000.00</b>    | <b>3,323,111.00</b>  |  | <b>8,867,557.00</b>  | <b>6,994,466.00</b>   | <b>1,873,091.00</b>  |
| <b>10.0 unallocated fund</b>            |                       |                      |                      |  |                      |                       |                      |
| 10.1 Ezamoyo primary school             | -                     |                      | 158,062.00           |  | 158,062.00           | -                     | 158,062.00           |
| 10.2 RG Ngala secondary school          | -                     |                      | 10,000,000.00        |  | 10,000,000.00        | -                     | 10,000,000.00        |
| 10.3 AIA- 2020                          | -                     | 127,000.00           |                      |  | 127,000.00           |                       | 127,000.00           |
| AIA-2021                                | -                     | 201,000.00           |                      |  | 201,000.00           |                       | 201,000.00           |
| AIA-2022                                | -                     | 83,000.00            |                      |  | 83,000.00            |                       | 83,000.00            |
| PMC savings - 2020                      | -                     | 165,203.00           |                      |  | 165,203.00           |                       | 165,203.00           |
| PMC savings - 2021                      | -                     | 761,086.00           |                      |  | 761,086.00           |                       | 761,086.00           |
| PMC savings - 2022                      | -                     | 400.00               |                      |  | 400.00               |                       | 400.00               |
| Unutilised imprest returned             | -                     | 129,697.00           |                      |  | 129,697.00           |                       | 129,697.00           |
| <b>Total</b>                            | <b>137,088,879.00</b> | <b>15,895,276.00</b> | <b>10,158,062.00</b> |  | <b>11,625,448.00</b> | <b>185,372,177.00</b> | <b>20,068,581.00</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-Kilifi North Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **3. Reporting Currency**

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

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

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

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

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



***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.

**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.

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

## **9. Pending Bills**

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

## **10. Unutilized Fund**

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

## **11. Budget**

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

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

## **12. Comparative Figures**

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

## **13. Subsequent Events**

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

**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.

*Kilifi North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

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**XIII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

| <b>Description</b> | <b>2021-2022</b>      | <b>2020 - 2021</b> |
|--------------------|-----------------------|--------------------|
| NGCDF Board        | <b>Kshs</b>           | <b>Kshs</b>        |
| AIE NO. B 104724   |                       | 20,000,000         |
| AIE NO. B 823541   |                       | 35,000,000         |
| AIE NO. B 124721   |                       | 8,000,000          |
| AIE NO. B 124991   |                       | 8,500,000          |
| AIE NO. B 119845   |                       | 13,000,000         |
| AIE NO. B 128134   |                       | 6,900,000          |
| AIE NO. B 128446   |                       | 7,000,000          |
| AIE NO. B 132190   |                       | 6,000,000          |
| AIE NO. B 138858   |                       | 13,000,000         |
| AIE NO. B 126152   |                       | 7,000,000          |
| AIE NO. B 126446   |                       | 10,600,000         |
| AIE NO. B 105162   |                       | 8,000,000          |
| AIE NO. B 140590   |                       | 12,000,000         |
| AIE NO. B 140808   |                       |                    |
|                    | 6,209,662.00          |                    |
| AIE NO. B 140941   |                       |                    |
|                    | 33,000,000.00         |                    |
| AIE NO. B 105465   |                       |                    |
|                    | 44,000,000.00         |                    |
| AIE NO. B 105810   |                       |                    |
|                    | 24,000,000.00         |                    |
| AIE NO. B 128551   |                       |                    |
|                    | 5,000,000.00          |                    |
| AIE NO. B 128863   |                       |                    |
|                    | 12,000,000.00         |                    |
| AIE NO. B 154059   |                       |                    |
|                    | 15,000,000.00         |                    |
| AIE NO. B 164500   |                       |                    |
|                    | 20,000,000.00         |                    |
| AIE NO. B 155902   |                       |                    |
|                    | 17,088,879.00         |                    |
| <b>TOTAL</b>       | <b>176,298,541.00</b> | <b>155,000,000</b> |

***Kilifi North Constituency***

***National Government Constituencies Development Fund (NGCDF)***

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

**2. Proceeds From Sale of Assets**

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

**3. Other Receipts**

| <b>Description</b>                                | <b>2021-2022</b> | <b>2020 - 2021</b> |
|---|------------------|--------------------|
|   | <b>Kshs</b>      | <b>Kshs</b>        |
| Interest Received                                 |                  | -                  |
| Rents   |                  | -                  |
| Receipts Sale of Tender Documents                 | 83,000.00        | 201,000            |
| Hire of plant/equipment/facilities                | -                | -                  |
| Unutilized funds from PMCs                        | 400              | 3,755,560          |
| Other Receipts Not Classified Elsewhere (specify) | -                | 129,697            |
| <b>TOTAL</b>                                      | <b>83,400.00</b> | <b>4,086,257</b>   |

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

**4. Compensation of Employees**

| <b>Description</b>   | <b>2021-2022</b>    | <b>2020 - 2021</b> |
|--|---------------------|--------------------|
|  | <b>Kshs</b>         | <b>Kshs</b>        |
| NG-CDFC Basic staff salaries                                       | 3,019,250.00        | 2,891,860          |
| <b>Personal allowances paid as part of salary</b>                  |                     |                    |
| House allowance  | -                   | -                  |
| Transport allowance  | -                   | -                  |
| Leave allowance  | -                   | -                  |
| Gratuity-contractual employees                                     | 402,653.00          | 1,360,386          |
| Employer Contributions Compulsory national social security schemes | 18,600.00           | 17,200             |
| <b>TOTAL</b>   | <b>3,440,503.00</b> | <b>4,269,446</b>   |

**5. Use of Goods and Services**

| <b>Description</b>  | <b>2021-2022</b> | <b>2020 - 2021</b> |
|---|------------------|--------------------|
|   | <b>Kshs</b>      | <b>Kshs</b>        |
| Utilities, supplies and services                          | 51,875.00        | 581,911            |
| Electricity   | -                | 42,412             |
| Water & sewerage charges                                  | -                | 22,720             |
| Office rent   | -                | -                  |
| Communication, supplies and services                      | 53,970.00        | 102,210            |
| Domestic travel and subsistence                           | -                | 63,400             |
| Printing, advertising and information supplies & services | 101,050.00       | 0                  |
| Rentals of produced assets                                |                  | -                  |
| Training expenses   | 1,902,830.00     | 2,500,000          |
| Hospitality supplies and services                         | 11,150.00        | 456,850            |
| Other committee expenses                                  | 1,529,295.00     | 407,000            |
| Committee allowance                                       | 1,916,815.00     | 2,965,200          |
| Insurance costs   |                  |                    |



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|  |                     |                  |
|--|---------------------|------------------|
|  | 136,019.00          | 105,513          |
| Specialised materials and services                           | -                   | -                |
| Office and general supplies and services                     | 870,112.00          | 636,736          |
| Fuel , oil & lubricants                                      | 624,353.00          | 759,635          |
| Other operating expenses                                     | -                   | 0                |
| Bank service commission and charges                          | 25,560.00           | 76,488           |
| Other Operating Expenses                                     | -                   | -                |
| Security operations  | -                   | -                |
| Routine maintenance - vehicles and other transport equipment | 997,220.00          | 441,620          |
| Routine maintenance- other assets                            | -                   | 100,750          |
| <b>TOTAL</b>   | <b>8,220,249.00</b> | <b>9,262,445</b> |

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**6. Transfer to Other Government Units**

| Description  | 2021-2022             | 2020 - 2021       |
|--|-----------------------|-------------------|
|  | Kshs                  | Kshs              |
| Transfers to Primary Schools (See attached list)       | 47,243,725.00         | 39,881,938        |
| Transfers to Secondary Schools (See attached list)     | 45,433,552.00         | 28,775,214        |
| Transfers to Tertiary Institutions (See attached list) | 10,000,000.00         |                   |
| <b>TOTAL</b>   | <b>102,677,277.00</b> | <b>68,657,152</b> |

**7. Other Grants and Other transfers**

| Description                               | 2021-2022            | 2020 - 2021       |
|---|----------------------|-------------------|
|   | Kshs                 | Kshs              |
| Bursary - Secondary ( see attached list)  | 34,877,000.00        | 15,173,000        |
| Bursary -Tertiary ( see attached list)    | 13,620,476.00        | 15,423,806        |
| Bursary- Special Schools                  | 1,750,000.00         | -                 |
| Mocks & CAT ( see attached list)          | -                    | -                 |
| Social Security programmes (NHIF)         | -                    |                   |
| Security Projects ( see attached list)    | 6,994,466.00         | 17,780,793        |
| Sports Projects ( see attached list)      | 1,500,000.00         | 2,989,920         |
| Environment Projects ( see attached list) | 2,899,999.00         | 1,600,000         |
| Emergency Projects ( see attached list)   | 9,392,207.00         | 11,792,206        |
| <b>TOTAL</b>                              | <b>71,034,148.00</b> | <b>64,759,725</b> |

**8. Acquisition of Assets**

|   | 2021-2022 | 2020 - 2021 |
|---|-----------|-------------|
|   | Kshs      | Kshs        |
| Purchase of Buildings                                       | -         | -           |
| Construction of Buildings                                   | -         | -           |
| Refurbishment of Buildings                                  | -         | -           |
| Purchase of Vehicles Vehicles and Other Transport Equipment | -         | 15,451.00   |

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|  |   |                |
|--|---|----------------|
| Purchase of Bicycles & Motorcycles                           | - | -              |
| Overhaul of Vehicles and Other Transport Equipment           | - | -              |
| Purchase of Household Furniture and Institutional Equipment  |   |                |
| Purchase of office furniture and General Equipment           | - | -              |
| Purchase of computers ,printers and other IT equipment       | - | -              |
| Purchase of ICT Equipment, Software and Other ICT Assets     | - | 214,255        |
| Purchase of Specialized Plant, Equipment and Machinery       | - | -              |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | -              |
| Acquisition of Land  | - | -              |
| Acquisition of Intangible Assets                             |   |                |
| <b>TOTAL</b>   | - | <b>229,706</b> |

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**9. Other Payments**

|                | 2021-2022 | 2020-2021 |
|----------------|-----------|-----------|
|                | Kshs      | Kshs      |
| Strategic plan | -         | -         |
| ICT Hub        | -         | -         |
|                | -         | -         |

**10 A: Cash Book Bank Balance**

| Name Of Bank, Account No. & Currency  | 2021-2022           | 2020-2021         |
|---|---------------------|-------------------|
|   | Kshs                | Kshs              |
| <b>10A: Bank Accounts (Cash Book Bank Balance)</b>                              |                     |                   |
| <i>Equity Bank, Kilifi Branch. Kilifi North NG-CDF<br/>A/C no.1060279716245</i> | 6,821,640.00        | 15,811,876        |
| <b>Total</b>  | <b>6,821,640.00</b> | <b>15,811,876</b> |

| <b>10 B: Cash on Hand</b>          |          |          |
|------------------------------------|----------|----------|
| Location 1                         | -        | -        |
| Location 2                         | -        | -        |
| Location 3                         | -        | -        |
| Other Locations ( <i>Specify</i> ) | -        | -        |
| <b>Total</b>                       | <b>-</b> | <b>-</b> |

**11: Outstanding Imprests**

| <i>Name of Officer or Institution</i> | <i>Date Imprest Taken</i> | <i>Amount Taken</i> | <i>Amount Surrendered</i> | <i>Balance</i> |
|---------------------------------------|---------------------------|---------------------|---------------------------|----------------|
|                                       |                           | Kshs                | Kshs                      | Kshs           |
| <i>Name of Officer</i>                | -                         | -                   | -                         | -              |
| <i>Name of Officer</i>                | -                         | -                   | -                         | -              |
| <i>Name of Officer</i>                | -                         | -                   | -                         | -              |
| <i>Name of Officer</i>                | -                         | -                   | -                         | -              |
| <b>Total</b>                          | <b>-</b>                  | <b>-</b>            | <b>-</b>                  | <b>-</b>       |

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**12A. Retention**

[Provide short appropriate explanations as necessary.]

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

**12B. Gratuity**

|   | 2021-2022 | 2020-2021      |
|---|-----------|----------------|
|   | Kshs      | Kshs           |
| Gratuity as at 1 <sup>st</sup> July (A)               |           | 1,262,127      |
| Gratuity held during the year (B)                     |           | 623,456        |
| Gratuity paid during the Year (C)                     |           | 1,360,386      |
| Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C | -         | <b>525,197</b> |

**13. Balances Brought Forward**

|               | 2021-2022            | 2020- 2021       |
|---------------|----------------------|------------------|
|               | Kshs (1/7/2021)      | Kshs (1/7/2020)  |
| Bank accounts | 15,811,876.00        | 3,904,093        |
| Cash in hand  |                      |                  |
| Imprest       |                      |                  |
| <b>TOTAL</b>  | <b>15,811,876.00</b> | <b>3,904,093</b> |

**14. Prior Year Adjustments**

|                            | Balance b/f<br>FY 2020/2021 as per<br>Audited Financial<br>statements | Adjustments | Adjusted Balance**<br>b/f<br>FY 2020/2021 |
|----------------------------|---|-------------|---|
| Description of the error   | Kshs  | Kshs        | Kshs                                      |
| Bank accounts balances     | -   |             | -   |
| Cash in hand               | -   | -           | -   |
| Accounts Payable           | -   | -           | -   |
| Receivables                | -   | -           | -   |
| Others (Gratuity not paid) | -   |             | 525,197                                   |
| <b>Total</b>               | -   | -           | <b>525,197</b>                            |

**15. Changes in Accounts Receivable – Outstanding Imprests**

|  | 2021-2022 | 2020- 2021 |
|--|-----------|------------|
|  | Kshs      | Kshs       |
| Outstanding Imprest as at 1st July (A)                     | -         | -          |
| Imprest issued during the year (B)                         | 3,902,695 | -          |
| Imprest surrendered during the Year (C)                    | 3,902,695 | -          |
| Closing accounts receivable as at 30th June 2022 (D=A+B-C) | -         | -          |
| <b>Net changes in accounts receivables A-D</b>             | -         | -          |

**16. Changes in Accounts Payable – Deposits and Retentions**

|   | 2021 – 2022 | 2020 – 2021 |
|---|-------------|-------------|
|   | KShs        | KShs        |
| Deposit and Retentions as at 1 <sup>st</sup> July (A) | -           | -           |
| Deposit and Retentions held during the year (B)       | -           | -           |
| Deposit and Retentions paid during the Year (C)       | -           | -           |
| closing account payables D= A+B-C                     | -           | -           |
| 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)**

|                             | <b>2021-2022</b> | <b>2020-2021</b> |
|-----------------------------|------------------|------------------|
|                             | <b>Kshs</b>      | <b>Kshs</b>      |
| Construction of buildings   | -                | -                |
| Construction of civil works | -                | -                |
| Supply of goods             | -                | -                |
| Supply of services          | -                | -                |
| <b>Total</b>                | <b>-</b>         | <b>-</b>         |

**17.2: Pending Staff Payables (See Annex 2)**

|                           | <b>2021-2022</b>  | <b>2020-2021</b> |
|---------------------------|-------------------|------------------|
|                           | <b>Kshs</b>       | <b>Kshs</b>      |
| NGCDFC Staff              | 744,024.00        | 525,197          |
| Others ( <i>specify</i> ) | -                 | -                |
| <b>Total</b>              | <b>744,024.00</b> | <b>525,197</b>   |

**17.3: Unutilized Fund (See Annex 3)**

|   | <b>2021-2022</b>     | <b>2020- 2021</b> |
|---|----------------------|-------------------|
|   | <b>Kshs</b>          | <b>Kshs</b>       |
| Compensation of employees   | 2,853,433.00         | 1,553,303         |
| Use of goods and services   | 2,207,658.00         | 4,123,213         |
| Amounts due to other Government entities (see attached list)        | 1,508,951.00         | 14,483,594        |
| Amounts due to other grants and other transfers (see attached list) | 1,873,091.00         | 33,856,909        |
| Acquisition of assets   | -                    | -                 |
| Others (AIA &PMC funds)   | 926,689.00           | 3,920,763         |
| Unutilized imprest returned   | 129,697.00           | 129,697           |
| AIA from sale of tenders  | 411,000.00           | 201,000           |
| Funds pending approval  | 10,158,062.00        | 10,000,000        |
| <b>Total</b>  | <b>20,068,581.00</b> | <b>68,268,479</b> |

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**17.4: PMC account balances (See Annex 5)**

|  | <b>2021-2022</b>  | <b>2020-2021</b>  |
|--|-------------------|-------------------|
|  | <b>Kshs</b>       | <b>Kshs</b>       |
| PMC account balances (see attached list) | 20,980,342        | 19,971,842        |
| Total                                    | <b>20,980,342</b> | <b>19,971,842</b> |



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**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 |
|------------------------------------|-----------------|-----------------|---------------------|--------------------------|----------|
| <b>Construction of buildings</b>   | a               | b               | c                   | d=a-c                    |          |
| 1.                                 |                 |                 |                     |                          |          |
| 2.                                 |                 |                 |                     |                          |          |
| 3.                                 |                 |                 |                     |                          |          |
| Sub-Total                          |                 |                 |                     |                          |          |
| <b>Construction of civil works</b> |                 |                 |                     |                          |          |
| 4.                                 |                 |                 |                     |                          |          |
| 5.                                 |                 |                 |                     |                          |          |
| 6.                                 |                 |                 |                     |                          |          |
| Sub-Total                          |                 |                 |                     |                          |          |
| <b>Supply of goods</b>             |                 |                 |                     |                          |          |
| 7.                                 |                 |                 |                     |                          |          |
| 8.                                 |                 |                 |                     |                          |          |
| 9.                                 |                 |                 |                     |                          |          |
| Sub-Total                          |                 |                 |                     |                          |          |
| <b>Supply of services</b>          |                 |                 |                     |                          |          |
| 10.                                |                 |                 |                     |                          |          |
| Sub-Total                          |                 |                 |                     |                          |          |
| <b>Grand Total</b>                 |                 |                 |                     |                          |          |

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**Annex 2 - Analysis of Pending Staff Payables**

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

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Annex 3 – Unutilized Fund**

| Name  | Brief Transaction Description | Outstanding Balance | Outstanding Balance | Comments |
|---|-------------------------------|---------------------|---------------------|----------|
|   |                               | 2021/2022           | 2020/2021           |          |
| <b>Compensation of employees</b>                |                               |                     |                     |          |
| Compensation of employees                       |                               | 2,152,908.00        | 1,553,303           |          |
| Staff gratuity                                  |                               | 663,327.00          |                     |          |
| NSSF  |                               | 37,200.00           |                     |          |
| <b>Sub- Total</b>                               |                               | <b>2,853,433.00</b> | <b>1,553,303.00</b> |          |
| <b>Use of goods &amp; Services</b>              |                               |                     |                     |          |
| Committee expenses                              |                               | 11,512.00           |                     |          |
| Use of goods & Services                         |                               | 1,776,338.00        | 4,123,213           |          |
| Use of goods & Services                         |                               | 390,668.00          |                     |          |
| <b>Sub- Total</b>                               |                               | <b>2,178,518.00</b> | <b>4,123,213.00</b> |          |
| <b>Amounts due to other Government Entities</b> |                               |                     |                     |          |
| Primary school desks project                    |                               |                     | -194,000            |          |
| Mabuwani Primary school                         |                               |                     | 1,000,000           |          |
| Mitangoni Primary school                        |                               |                     | 1,200,000           |          |
| Mabuwani Primary school                         |                               |                     | 1,500,000           |          |
| Msabaha Primary school                          |                               |                     | 2,400,000           |          |
| Mbarakachembe Primary school                    |                               |                     | 700,000             |          |
| Dera Tumaini Primary school                     |                               |                     | 1,392,000           |          |
| Old Ferry Primary school                        |                               |                     | 900,000             |          |
| Mtsanganyiko Primary school                     |                               |                     | -840,000            |          |
| Makonde Primary school                          |                               |                     | 94,400              |          |
| Mkwajuni Primary school                         |                               |                     | 4,000               |          |

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|  |  |                     |            |                   |  |
|--|--|---------------------|------------|-------------------|--|
| Kibaoni Primary school                                 |  |                     |            | -4,400,000        |  |
| Dongo Kundu Primary school                             |  |                     |            | -200,000          |  |
| Ezamoyo Primary school                                 |  |                     |            | -91,938           |  |
| Mtsanganyiko Primary school                            |  |                     |            | -2,200,000        |  |
| Dongo Kundu Primary school                             |  |                     |            | -1,100,000        |  |
| Jeza zhomu Primary school                              |  |                     |            | -250,000          |  |
| Mavueni primary school                                 |  | 10,693.00           |            |                   |  |
| Zowerani primary school                                |  | 163,961.00          |            |                   |  |
| Soyosoyo primary school (Tezo)                         |  | 34,389.00           |            |                   |  |
| Jacaranda Beach primary school                         |  | 33,960.00           |            |                   |  |
| Mkwajuni Secondary school                              |  |                     | 672,000    |                   |  |
| Gede Mixed Secondary school                            |  |                     | 7,000,000  |                   |  |
| Gede Mixed Secondary school                            |  | 1,000,000.00        |            |                   |  |
| Kilifi Secondary school                                |  |                     | 1,600,000  |                   |  |
| Majajani Secondary school                              |  |                     | 500,000    |                   |  |
| Ngerenya Secondary school                              |  |                     | -200,000   |                   |  |
| Kiwandani Secondary school                             |  |                     | -1,008,868 |                   |  |
| Fumbini secondary school                               |  |                     | -1,210,000 |                   |  |
| Kadzinuni secondary school                             |  | 16,848.00           |            |                   |  |
| Bofa secondary school                                  |  | 124,550.00          |            |                   |  |
| Kilifi North Technical Tr.& Vocational College         |  | 124,550.00          |            | 10,000,000        |  |
| <b>Sub- Total</b>                                      |  | <b>1,508,951.00</b> |            | <b>17,267,594</b> |  |
| <b>Amounts due to other grants and other Transfers</b> |  |                     |            |                   |  |
| Bursary – Secondary schools                            |  |                     |            | 17,436,640        |  |
| Bursary – Tertiary Institutions                        |  |                     |            | 5,776,836         |  |

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|  |  |                      |                      |  |
|--|--|----------------------|----------------------|--|
| Emergency Fund                           |  |                      | 2,598,242            |  |
| Constituency sports                      |  |                      | 11,080               |  |
| Environment                              |  |                      | 1,400,000            |  |
| Kilifi North Sub- County DCC's office    |  | 850,000.00           | 2,323,111            |  |
| Ngerenya Chief's office                  |  |                      | 900,000              |  |
| Mayungu Chief's camp                     |  | 500,000.00           | 500,000              |  |
| Mabirikani Chief's office                |  |                      | -500,000             |  |
| Gede Resource Centre                     |  | 500,000.00           | 500,000              |  |
| Dabaso Asst Chief's office               |  | 11,999.00            |                      |  |
| Dabaso Asst Chief's office toilet        |  | 11,092.00            |                      |  |
| <b>Sub- Total</b>                        |  | <b>1,873,091.00</b>  | <b>30,945,909</b>    |  |
| <b>Acquisition of Assets</b>             |  |                      |                      |  |
| <b>Funds pending approval</b>            |  |                      |                      |  |
| Funds from PMC Accounts- 2020            |  | 165,203.00           | 165,203              |  |
| AIA from sale of tender documents - 2020 |  | 127,000.00           | 127,000              |  |
| AIA from sale of tender documents - 2021 |  | 201,000.00           | 201,000              |  |
| AIA from sale of tender documents - 2022 |  | 83,000.00            | -                    |  |
| Unutilized imprest returned              |  | 129,697.00           | 129,697              |  |
| Funds from PMC Accounts 2021             |  | 761,086.00           | 3,755,560            |  |
| Ezamoyo Primary school                   |  | 158,062.00           | -                    |  |
| RG Ngala school & Leadership center      |  | 10,000,000.00        | 10,000,000           |  |
| <b>Sub- Total</b>                        |  | <b>11,625,048.00</b> | <b>14,378,460</b>    |  |
| <b>Grand Total</b>                       |  | <b>20,039,041.00</b> | <b>68,268,479.00</b> |  |

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**Annex 4 – Summary of Fixed Asset Register**

| Asset class                                  | Historical Cost b/f/f<br>(Kshs)<br>2020/2021 | Additions<br>during the year<br>(Kshs) | Disposals<br>during the year<br>(Kshs) | Historical Cost<br>(Kshs)<br>2021/2022 |
|--|--|--|--|--|
| Land   | -  | -                                      | -                                      | -                                      |
| Buildings and structures                     | 4,500,000                                    | -                                      | -                                      | 4,500,000                              |
| Transport equipment                          | 7,026,866                                    | -                                      | -                                      | 7,026,866                              |
| Office equipment, furniture and fittings     | 4,480,957                                    | -                                      | -                                      | 4,480,957                              |
| ICT Equipment, Software and Other ICT Assets | 392,455                                      | -                                      | -                                      | 392,455                                |
| Other Machinery and Equipment                | -  | -                                      | -                                      | -                                      |
| Heritage and cultural assets                 | -  | -                                      | -                                      | -                                      |
| Intangible assets                            | -  | -                                      | -                                      | -                                      |
| <b>Total</b>                                 | <b>16,400,278</b>                            | <b>-</b>                               | <b>-</b>                               | <b>16,400,278</b>                      |

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

| PMC                          | Bank        | Account No.   | Bank Balance 2021/2022 | Bank Balance 2020/2021 |
|------------------------------|-------------|---------------|------------------------|------------------------|
| ST. THOMAS GIRLS' SEC SCHOOL | COOPERATIVE | 1141779533800 | 1,827,310.00           | 1,827,310.00           |
| NGERENYA SEC SCHOOL          | COOPERATIVE | 1141779534000 |                        | 977.00                 |
| MNARANI SEC SCHOOL           | COOPERATIVE | 1141779749600 | -                      | 272,878.00             |
| WATAMU SEC SCHOOL            | COOPERATIVE | 1141779758900 |                        | 22,997.00              |
| WATAMU SEC SCHOOL            | COOPERATIVE | 1141779533400 |                        | 1,450.00               |
| KIWANDANI SEC SCHOOL         | COOPERATIVE | 1141779748200 |                        | 1,862.00               |
| KILIFI NORTH SUB COUNTY DCC  | COOPERATIVE | 1141779756400 | 2,821,779.00           | 2,821,779.00           |
| BAHATI PREPARATORY           | COOPERATIVE | 1109779490500 |                        | 158.00                 |
| MABIRIKANI CHIEF'S OFFICE    | COOPERATIVE | 1141779749700 | 43,914.00              | 43,914.00              |
| DABASO CHIEF'S OFFICE        | COOPERATIVE | 1141779749300 | 16,415.00              | 16,415.00              |
| MIDA SEC SCHOOL              | COOPERATIVE | 1141779749900 |                        | 1,062.00               |
| GEDE PRY SCHOOL              | COOPERATIVE | 1141779607600 |                        | 19.00                  |
| MTSANGANYIKO PRY SCHOOL      | COOPERATIVE | 1141779749500 |                        | -                      |
| ARABUKO PRY SCHOOL           | COOPERATIVE | 1141779275000 |                        | 19,015.00              |
| MAJAJANI SEC SCHOOL          | COOPERATIVE | 1141779749400 |                        | 94.00                  |
| MAJAJANI PRY SCHOOL          | COOPERATIVE | 1109779494000 |                        | 4,085.00               |
| NGALA MEM. GIRLS SEC SCHOOL  | COOPERATIVE | 1141779533000 | 92,121.00              | 92,121.00              |
| DONGO KUNDU PRY SCHOOL       | COOPERATIVE | 1109779266600 |                        | -                      |



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

|                           |             |               |           |              |
|---------------------------|-------------|---------------|-----------|--------------|
| RESERVE PRY SCHOOL        | COOPERATIVE | 1141779751100 | 1,200.00  | 60,693.00    |
| SITA PRY SCHOOL           | COOPERATIVE | 1141779760400 |           | 19,278.00    |
| SOYOSOYO PRY SCHOOL       | COOPERATIVE | 1141779750900 |           | 20,531.00    |
| DABASO PRY SCHOOL         | COOPERATIVE | 1141779751500 |           | 201.00       |
| UYOMBO MAWENI PRY SCHOOL  | COOPERATIVE | 1141779750600 | 19,552.00 | 19,552.00    |
| JIMBA GEDE SEC SCHOOL     | COOPERATIVE | 1141779533300 | 9,886.00  | 9,886.00     |
| MENYHEART SEC SCHOOL      | COOPERATIVE | 1141779751300 |           | 134,335.00   |
| JIMBA SEC SCHOOL          | KCB         | 1162646152    |           | 43,183.00    |
| MKWAJUNI SEC SCHOOL       | EQUITY      | 1060280759111 |           | 1,659.00     |
| SIDZENI PRY SCHOOL        | EQUITY      | 1060280756719 |           | 2,182,520.00 |
| MZIZIMA PRY SCHOOL        | EQUITY      | 1060280997997 | 23,240.00 | -            |
| MADEVU PRY SCHOOL         | EQUITY      | 1060281024053 | 661.00    | -            |
| MITANGONI PRY SCHOOL      | EQUITY      | 1060280960394 | 23,800.00 | 400,000.00   |
| ARABUKO PRY SCHOOL        | EQUITY      | 1060280895448 | 1,160.00  | -            |
| JACARANDA BEACH PRY SCH   | EQUITY      | 1060280986844 | 1,159.00  | -            |
| MTSANGANYIKO PRY SCHOOL   | EQUITY      | 1060280714369 |           | -            |
| MTSANGANYIKO PRY SCHOOL   | EQUITY      | 1060280951613 |           | 400,000.00   |
| MTSANGANYIKO PRY SCHOOL   | EQUITY      | 1060280639666 | 12,614.00 | 2,200,000.00 |
| MIRIMA WA KUKU PRY SCHOOL | EQUITY      | 1060280960713 | 9,830.00  | 1,200,000.00 |
| MSABAHA PRY SCHOOL        | EQUITY      | 1060280762318 | 37,088.00 | -            |
| DERA TUMAINI PRY SCHOOL   | EQUITY      | 1060280758364 | 315.00    | 2,096,948.00 |

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

|                            |        |               |            |              |
|----------------------------|--------|---------------|------------|--------------|
| MABUWANI PRY SCHOOL        | EQUITY | 1060280794161 | 2,000.00   | -            |
| MBARAKACHEMBE PRY SCHOOL   | EQUITY | 1060280760780 | 3,108.00   | 500,000.00   |
| MBARAKACHEMBE SEC SCHOOL   | EQUITY | 1060280149430 |            | 152,234.00   |
| MATSANGONI DIV. HDQS       | EQUITY | 1060280747628 | 1,160.00   | 1,680.00     |
| JIMBA GEDE PRY SCHOOL      | EQUITY | 1060281031566 | 23,000.00  | -            |
| JIMBA GEDE PRY SCHOOL      | EQUITY | 1060280764961 | 84,720.00  | -            |
| DONGO KUNDU PRY SCHOOL     | EQUITY | 1060280628501 |            | 1,100,000.00 |
| DONGO KUNDU PRY SCHOOL     | EQUITY | 1060280641734 |            | 200,000.00   |
| JEZA ZHOMU PRY SCHOOL      | EQUITY | 1060280627704 | 1,405.00   | 250,000.00   |
| EZAMOYO PRY SCHOOL         | EQUITY | 1060280627117 | 1,338.00   | 91,938.00    |
| KIWANDANI SEC SCHOOL       | EQUITY | 1060280705239 |            | 2,880.00     |
| MABIRIKANI CHIEF'S OFFICE  | EQUITY | 1060280255775 |            | 13,707.00    |
| UYOMBO GIRLS' SEC SCHOOL   | EQUITY | 1060280162416 |            | 78,659.00    |
| WATAMU SEC SCHOOL          | EQUITY | 1060280982126 |            | -            |
| KOROSHO SEC SCHOOL         | EQUITY | 1060280758399 | 20,334.00  | 975,166.00   |
| MTONDIA PRY SCHOOL         | EQUITY | 1060281022506 | 122,743.00 | -            |
| SITA PRY SCHOOL            | EQUITY | 1060280823892 |            | -            |
| FB TUVA SEC SCHOOL         | EQUITY | 1060280714877 |            | -            |
| KILIFI NORTH DESKS PROJECT | EQUITY | 1060280774641 | 3,980.00   | 2,412,191.00 |
| KANANI PRY SCHOOL          | EQUITY | 1060280141571 |            | 120,395.00   |
| FUMBINI PRY SCHOOL         | EQUITY | 1060280124711 | 910.00     | 910.00       |

**Kilifi North Constituency**  
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|   |        |               |              |            |
|---|--------|---------------|--------------|------------|
| MIKINGIRINI PRY SCHOOL                                | EQUITY | 1060280140972 |              | 122,414.00 |
| GEDE PRY SCHOOL                                       | EQUITY | 1060280142267 |              | 34,746.00  |
| KADZINUNI PRY SCHOOL                                  | EQUITY | 1060282017187 | 276,942.00   | -          |
| KOROSHO SEC SCHOOL                                    | EQUITY | 1060282009845 | 2,170.00     | -          |
| RESERVE PRY SCHOOL                                    | EQUITY | 1060282013004 | 72,182.00    | -          |
| MARAFIKI SEC SCHOOL                                   | EQUITY | 1060282021303 | 1,325,694.00 | -          |
| LABORATORY STOOLS                                     | EQUITY | 1060282384167 | 1,400.00     | -          |
| SPORTS PROJECT COMMITTEE                              | EQUITY | 1060282047314 | 1,300.00     | -          |
| PRIMARY SCHOOL DESKS                                  | EQUITY | 1060282374675 | 240.00       | -          |
| CHAIRS & LOCKERS PMC                                  | EQUITY | 1060282053228 | 1,200.00     | -          |
| GEDE MIXED SECONDARY SCHOOL                           | EQUITY | 1060281133395 | 1,600,000.00 |            |
| KILIFI SECONDARY SCHOOL                               | EQUITY | 1060281204481 | 420.00       |            |
| GEDE MIXED SECONDARY SCHOOL                           | EQUITY | 1060281133417 | 587,950.00   |            |
| MABUANI PRIMARY SCHOOL (2 CLASSROOMS)                 | EQUITY | 106028115447  | 163,437.00   |            |
| MITANGONI PRY SCHOOL                                  | EQUITY | 1060281314877 | 55,489.00    |            |
| MTSANGANYIKO PRY SCHOOL(RAIN WATER HARVESTING SYSTEM) | EQUITY | 1060280951568 | 697.00       |            |
| SOYOSOYO PRY SCHOOL (SOLAR)                           | EQUITY | 1060280998202 | 23,240.00    |            |
| KIWANDANI SEC SCHOOL                                  | EQUITY | 1060282014393 | 967,500.00   |            |
| EMERGENCY SOYOSOYO                                    | EQUITY | 1060282374133 | 1,000,000.00 |            |
| UYOMBO PRY SCHOOL-RENOVATION                          | EQUITY | 1060282431128 | 152,000.00   |            |
| EMERGENCY MKOMBE PRY SCHOOL 2NO                       | EQUITY | 1060282376343 |              |            |

**Kilifi North Constituency**  
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| CLASSROOMS   | EQUITY |               |  |            |
|--|--------|---------------|--|------------|
| KIWANDANI PRIMARY SCHOOL-RENOVATION WORK             | EQUITY | 1060282012595 |  | 683,884.00 |
| DABASO ASSISTANT CHIEFS OFFICE                       | EQUITY | 1060282022448 |  | 400,800.00 |
| GEDE PRY SCHOOL-6 DOOR TOILET                        | EQUITY | 1060282010412 |  | 566,527.00 |
| JACARANDA BEACH PRY SCH-RENOVATION WORKD             | EQUITY | 1060282014697 |  | 83,020.00  |
| SOYOSOYO PRIMARY SCHOOL (WATAMU)-6 DOOR TOILET BLOCK | EQUITY | 1060282079334 |  | 376,040.00 |
| MABUANI PRIMARY SCHOOL (6 DOOR TOILET BLOCK)         | EQUITY | 1060282013862 |  | 511,040.00 |
| DABASO ASSISTANT CHIEFS TOILET BLOCK                 | EQUITY | 1060282022430 |  | 82,240.00  |
| JEZA ZHOMU PRY SCHOOL-2NO CLASSROOMS BLOCK           | EQUITY | 1060282014930 |  | 588,908.00 |
| BOFA SECONDARY SCHOOL-2NO CLASSROOM BLOCK            | EQUITY | 1060282013229 |  | 74,576.00  |
| NGERENYA PRY SCHOOL-2 NO CLASSROOM BLOCK             | EQUITY | 1060282017417 |  | 286,492.00 |
| FUMBINI SECONDARY SCHOOL-SINGLE LAB                  | EQUITY | 1060282014136 |  | 254,117.00 |
| NGALA PRY SCHOOL- RENOVATION WORK                    | EQUITY | 1060282088052 |  | 609,052.00 |
| KONJORA SECONDARY SCHOOL                             | EQUITY | 1060282012962 |  | 438,542.00 |
| ZOWERANI PRY SCHOOL-RENOVATION WORK                  | EQUITY | 1060282012024 |  | 400,400.00 |
| BAHARI PRY SCHOOL                                    | EQUITY | 1060282022962 |  | 285,202.00 |
| SOYOSOYO SECONDARY SCHOOL (TEZO) 6DOOR TOILET BLOCK  | EQUITY | 1060282022438 |  | 70,233.00  |
| SOYOSOYO SECONDARY SCHOOL (TEZO) RENOVATION WORK     | EQUITY | 1060282012688 |  | 624,400.00 |
| KILIMO PRIMARY SCHOOL-RENOVATION                     | EQUITY | 1060282013283 |  | 2,400.00   |
| KOROSHO SEC SCHOOL-TOILET BLOCK                      | EQUITY | 1060282009845 |  | 58,730.00  |
|  |        |               |  | 2,170.00   |

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

|   |        |                |                      |                      |
|---|--------|----------------|----------------------|----------------------|
| MAVUENI PRY SCHOOL-3CLASSROOM BLOCK             | EQUITY | 1060282095888  | 589,707.00           |                      |
| TAKAUNGU PRY SCHOOL-2NO CLASSROOM BLOCK         | EQUITY | 1060282022438  | 624,400.00           |                      |
| RESERVE PRY SCHOOL-6 DOOR TOILET BLOCK          | EQUITY | 1060282013004  | 72,182.00            |                      |
| MKONGANI SECONDARY SCHOOL                       | EQUITY | 1060282013561  | 1,569,400.00         |                      |
| MKONGANI SECONDARY SCHOOL-6 DOOR TOILET BLOCK   | EQUITY | 1060282013587  | 141,120.00           |                      |
| KILIFI NORTH NG CDF RAINWATER HARVESTING        | EQUITY | 10602822286430 | 141,777.00           |                      |
| KILIFI NORTH NG CDF CHAIRS & LOCKERS PROJECT    | EQUITY | 1060282053228  | 1,200.00             |                      |
| KILIFI NORTH DESK PROJECT                       | EQUITY | 1060282374675  | 240.00               |                      |
| MABUANI PRIMARY SCHOOL-2 CLASSROOMS             | EQUITY | 1060282374675  | 240.00               |                      |
| KILIFI NORTH LABORATORY STOOLS                  | EQUITY | 1060282384167  | 1,400.00             |                      |
| KILIFI NORTH NG-CDF KILIFI NORTH SPORTS PROJECT | EQUITY | 1060282047314  | 1,300.00             |                      |
| <b>TOTAL</b>                                    |        |                | <b>20,980,342.00</b> | <b>19,971,842.00</b> |

**Kilifi North Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022  
Annex 6: Progress On Follow Up of Auditor Recommendations**

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

| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments  | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|--|-----------------------------------|--|
|  | <p><b>1. Unsupported Bursary Payments</b><br/>As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers totaling to Kshs.64,759,725(2020:Kshs.42,328,797). The balance includes bursary payments amounting to Kshs.30, 596,806 issued to students in secondary schools of Kshs.15, 173,000 and Kshs15, 423,806 to students in tertiary institutions respectively. However, as previously reported, the students' registration or admission numbers were not provided.</p> <p>Consequently, the accuracy, completeness and validity of bursaries totaling toKshs.30, 596,806 for the year ended 30 June, 2021 could not be confirmed.</p>   | <p>The beneficiaries' registration or admission numbers have been provided for review</p> <p>Resolved</p>  |                                   |  |
|  | <p><b>2. Budgetary Control and Performance</b><br/>The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis totaling to Kshs.215, 446,953 and Kshs.162, 990,350 respectively, resulting to an under-funding amounting to Kshs.52, 456,603 or 26% of the budget.</p> <p>Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.215, 446,953 and Kshs.147, 178,174 respectively, resulting to an under expenditure amounting to Kshs.68,268,479or 32% of the budget. The Management attributed the under absorption to delay in disbursements from the CDF Board.</p> <p>The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.</p> | <p>The Kilifi North NGCDF had a total budget of Ksh.211, 360,696 for utilization in the financial year 2020/2021. However, only Kshs.162, 990,350was made available for expenditure where Kshs.147, 178,474 was spent leaving a balance of Kshs.15, 811,876 in the Account.</p> <p>At the close of the financial year, the Constituency was still expecting to receive a balance of Kshs. 52,456,603 from the Board.</p> |                                   |  |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments   | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|---|--------------------------------------|---|
|  |                                   | <p>The reason for under absorption of budget by 30% was:</p> <p>i) Late disbursement of funds; Kshs20,000,000 vide AIE No. B10516 2 and AIE No. B14059 0 was received on 20/6/20 21, the NGCDF C approved the disbursement of these funds to PMCs on 23/6/20 21 thus was not possible for the funds relating to</p> |                                      |   |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments   | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|-----------------------------------|---|--------------------------------------|---|
|  |                                   | <p>bursary and emergency to be absorbed immediately. Non receipt of Ksh. 52,456,603 from the Board during the financial year thus exhaustively execution of the budget on fund that had not been received was not possible.</p> <p>ii) Otherwise continuous follow up is being done to improve on this.</p> |                                      |   |



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| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments   | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--|---|---|--------------------------------------|---|
|  | <p><b>3. Non - Submission of Bank Reconciliation Statements</b></p> <p>Disclosed in note 10A to the financial statements is bank account (cash book) balance of Kshs.15, 811,876 as at 30 June, 2021. However, the Fund Management did not submit the monthly bank reconciliation statements for the bank accounts to the County Treasury and a copy to the Office of the Auditor-General as stipulated in Section 90 (1) of the Public Finance Management (National Government) Regulations, 2015. No justification has been provided for the non-compliance.</p> <p>The Management is therefore in breach of the Law.</p>   | <p>The reconciliation statements are normally prepared and submitted by the Sub-County National Treasury Accountant to the National Treasury, NGCDF Board and copy the NGCDFC.</p> <p>The Kilifi North will endeavor to submit a copy of the bank reconciliation monthly to the Office of the Auditor –General henceforth as stipulated by the law.</p> |                                      |   |
|  | <p><b>4. Delay in Projects Implementation</b></p> <p>According to Projects Implementation Status Report as at 30 June, 2021, the Fund had forty-six (46) approved projects with a budgetary allocation totaling to Kshs.137, 088,879 for the financial year under review. Forty (40) of the projects with an allocation totaling to Kshs.98,484,975 were completed and in use, three (3) projects with a budgetary allocation of Kshs.20,003,904 were ongoing and three (3) projects with a total budget of Kshs.18,600,000 had not started as at the time of this audit in the month of April, 2022. The report also included nine (9) projects relating to previous financial years totaling to Kshs.19, 894.397 that were still ongoing at the end of the financial year.</p> <p>In the circumstances, it was not possible to confirm whether the public obtained value for money for the delayed projects for the year ended 30 June, 2021.</p> | <p>For the projects that had not started, there was land challenge where someone claimed to own the land where the projects were to be built though it was a public land thus legal redress was to be sought before implementing the projects on the land.</p>  |                                      |   |
|  | <p><b>Unexplained Disbursements of Funds to Projects Management Committee (PMC) Accounts above the Project Costs</b></p> <p>The statement of receipts and payments reflects transfers to other Government units amounting to Kshs.68, 657,152 to various PMC accounts for different projects. On scrutiny of the said disbursements, it was noted that two projects, received funds way</p>   | <p>The reason as to why the disbursements are done according to those approved by the Board is that there may arise an extra work that's necessary or a</p>   |                                      |   |

**Kilifi North Constituency  
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| Reference No. on the external audit Report | Issue / Observations from Auditor   | Management comments | Status:<br>(Resolved / Not Resolved)    | Timeframe:<br>(Put a date when you expect the issue to be resolved) |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |
|--|---|---------------------|---|---|---|-----------------|---------------------------|---|-----------|-----------|-----------|--------------------------|---|-----------|-----------|-----------|--------------|--|------------------|-------------------|------------------|---|--|--|
|  | <p>above the project costs as shown below:</p> <table border="1" data-bbox="399 896 901 1747"> <thead> <tr> <th data-bbox="399 896 582 1019">School</th> <th data-bbox="399 1019 582 1265">Project Description</th> <th data-bbox="399 1265 582 1377">Project Cost - Kshs</th> <th data-bbox="399 1377 582 1489">Amount disbursed as per schedule - Kshs</th> <th data-bbox="399 1489 582 1747">Variance - Kshs</th> </tr> </thead> <tbody> <tr> <td data-bbox="582 896 782 1019">Mkwajuni Secondary School</td> <td data-bbox="582 1019 782 1265">Construction of 2 classrooms @ Kshs 2,200,000, Administration section of 65 people capacity @Kshs.2,900,000 and six (6) door flush toilets block @Kshs.1.6M</td> <td data-bbox="582 1265 782 1377">6,532,598</td> <td data-bbox="582 1377 782 1489">8,228,000</td> <td data-bbox="582 1489 782 1747">1,695,402</td> </tr> <tr> <td data-bbox="782 896 901 1019">Mkigirani Primary School</td> <td data-bbox="782 1019 901 1265">Construction of 2 classrooms of a capacity of 65 people to completion</td> <td data-bbox="782 1265 901 1377">2,119,417</td> <td data-bbox="782 1377 901 1489">3,400,000</td> <td data-bbox="782 1489 901 1747">1,280,583</td> </tr> <tr> <td data-bbox="901 896 901 1019"><b>Total</b></td> <td data-bbox="901 1019 901 1265"></td> <td data-bbox="901 1265 901 1377"><b>8,652,015</b></td> <td data-bbox="901 1377 901 1489"><b>11,628,000</b></td> <td data-bbox="901 1489 901 1747"><b>2,975,985</b></td> </tr> </tbody> </table> | School              | Project Description                     | Project Cost - Kshs   | Amount disbursed as per schedule - Kshs | Variance - Kshs | Mkwajuni Secondary School | Construction of 2 classrooms @ Kshs 2,200,000, Administration section of 65 people capacity @Kshs.2,900,000 and six (6) door flush toilets block @Kshs.1.6M | 6,532,598 | 8,228,000 | 1,695,402 | Mkigirani Primary School | Construction of 2 classrooms of a capacity of 65 people to completion | 2,119,417 | 3,400,000 | 1,280,583 | <b>Total</b> |  | <b>8,652,015</b> | <b>11,628,000</b> | <b>2,975,985</b> | <p>variation that the implementation could not do without and be addressed in good time during implementation of the projects.<br/><br/>Bank statements for the three projects have been provided for review.</p> |  |  |
| School                                     | Project Description   | Project Cost - Kshs | Amount disbursed as per schedule - Kshs | Variance - Kshs   |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |
| Mkwajuni Secondary School                  | Construction of 2 classrooms @ Kshs 2,200,000, Administration section of 65 people capacity @Kshs.2,900,000 and six (6) door flush toilets block @Kshs.1.6M   | 6,532,598           | 8,228,000                               | 1,695,402   |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |
| Mkigirani Primary School                   | Construction of 2 classrooms of a capacity of 65 people to completion   | 2,119,417           | 3,400,000                               | 1,280,583   |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |
| <b>Total</b>                               |   | <b>8,652,015</b>    | <b>11,628,000</b>                       | <b>2,975,985</b>  |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |
|  | <p>No explanation or justification was provided for the over disbursement of funds.</p>   |                     |   |   |   |                 |                           |   |           |           |           |                          |   |           |           |           |              |  |                  |                   |                  |   |  |  |

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**GLADYS NGALA**  
**Fund Account Manager.**

