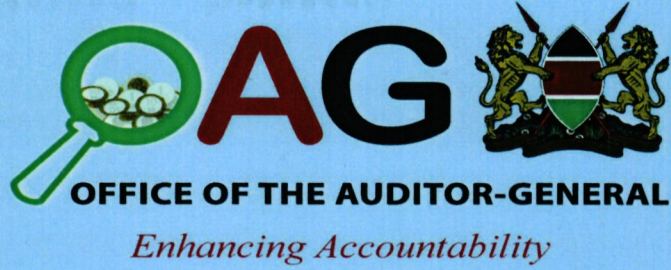


REPUBLIC OF KENYA



**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY  
P. 2  
DATE: 05 JUL 2023 DAY: WED  
TABLED BY: Hon. Owen Bayo CBS, MP  
CLERK AT THE TABLE: Deputy leader Majority  
Fintays Mundi

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – MWATATE CONSTITUENCY**

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





OFFICE OF THE AUDITOR GENERAL  
P.O. Box 95207, MOMBASA  
21 MAR 2023  
RECEIVED  
COAST REGIONAL OFFICE



---

**MWATATE CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2022**

---

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



UNIVERSITY OF CALIFORNIA LIBRARY  
SANTA BARBARA, CALIFORNIA

*Leave it blank*

U.C. LIBRARY JOURNAL  
SERIALS ACQUISITION  
1000 UNIVERSITY AVENUE  
SANTA BARBARA, CA 93106-5080  
(805) 893-2161



**Table of Contents**

	Page
I. Key Constituency Information and Management .....	iii
II. NG-CDFC Chairman’s Report .....	vii
III. Statement Of Performance Against Predetermined Objectives for FY2021/22 .....	x
IV. Environmental and Sustainability Reporting .....	xii
V. Statement Of Management Responsibilities.....	xvi
VI. Report Of the Independent Auditors On The NGCDF- Mwatate Constituency .....	xviii
VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022 .....	1
VIII. Statement Of Assets and Liabilities As At 30 <sup>th</sup> June, 2022.....	2
IX. Statement Of Cash Flows for The Year Ended 30th June 2022 .....	3
X. Summary Statement of Appropriation for The Year Ended 30 <sup>th</sup> June 2022 .....	4
X. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2022 .....	6
XI. Significant Accounting Policies .....	11
XII. Notes To the Financial Statements .....	17



## **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;



## **Mwatate Constituency**

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

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

---

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

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

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

---

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	AMINA ALI
2.	Sub-County Accountant	ELIJAH MWAZO
3.	Chairman NGCDFC	HANNAH SAU
4.	Member NGCDFC	PHOEBE RONGOMA

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 75-80305  
Mwatate Multi-purpose Hall

**(f) Mwatate Constituency NGCDF Contacts**

Telephone: (254) 0710-325222  
E-mail: [mwatate@ngcdf.go.ke](mailto:mwatate@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) Mwatate Constituency NGCDF Bankers**

Kenya Commercial Bank  
Wundanyi -branch  
P.O. Box 1067-80304  
Wundanyi, TaitaTaveta, 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



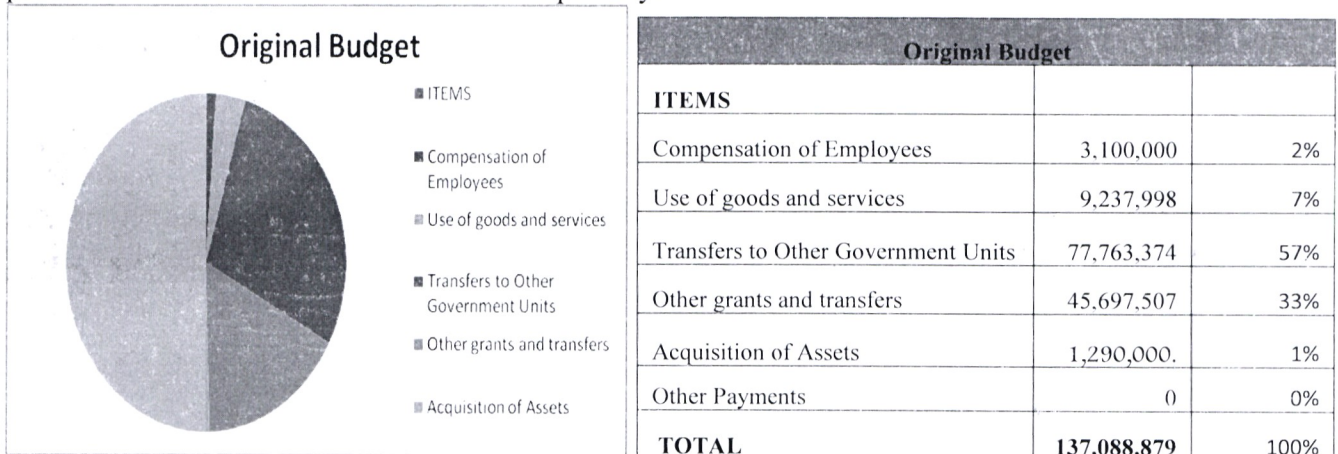
**II. NG-CDFC Chairman’s Report**



It gives me great pleasure to thank the people of Mwatate Constituency for giving me the opportunity to serve them in this transformative, people driven and Nation building position. It is great with great joy that I present to you the unaudited accounts and collaborative annual report for the year ended 30<sup>th</sup> June, 2022.

I take this opportunity on behalf of the NGCDF Mwatate to highlight on achievements, challenges and my opinion on the way forward on better utilization of this fund and delivery of service to my constituents. We have received funds from the NG CDF Board and have utilized the funds efficiently.

The original budget was **137,088,879** out of this budget we allocated Kshs. **77,763,374** which is equivalent to 57 % of the original budget for education projects. This amount is meant to fund primary schools, secondary schools and tertiary institution projects. This will highly improve education in the region. Then kshs.27, 505,300 which is 20 % of the original budget was channelled towards bursary for secondary school and tertiary institution needy students. This makes 77% for promotion of education and eradication of poverty.





I take this opportunity on behalf of the NGCDF Mwatate to highlight on achievements, challenges and my opinion on the way forward on better utilization of this fund and delivery of service to my constituents. We have received funds from the NGCDF Board and have utilized the funds efficiently.

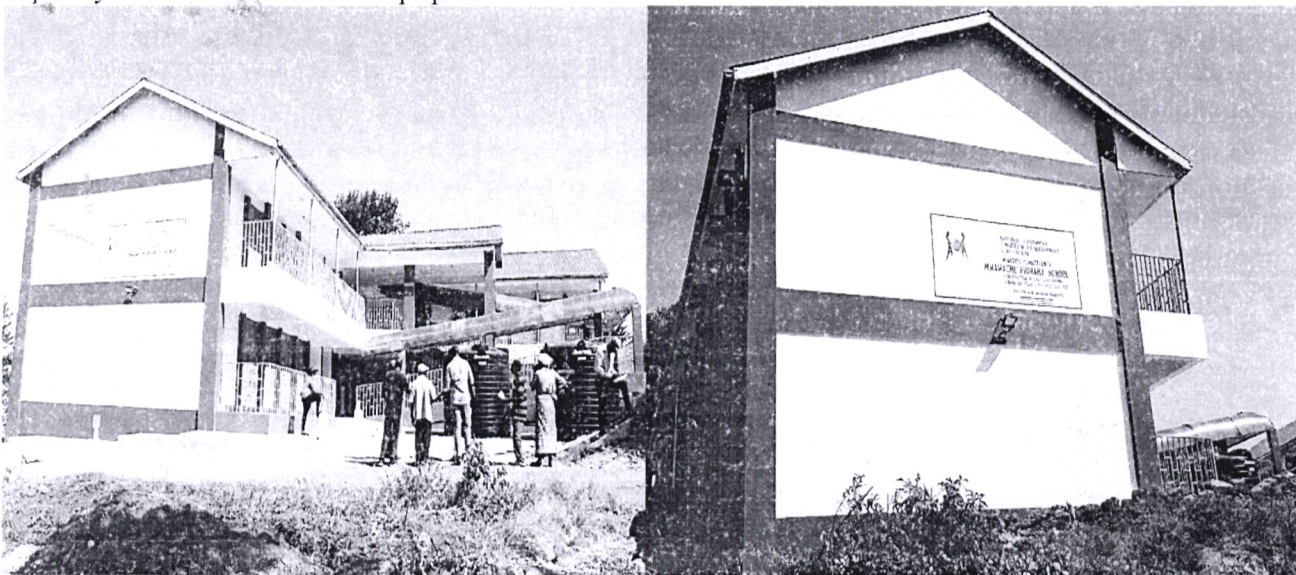
**Achievements and Major Undertakings**

The NGCDF Mwatate committee is fully involved in the identification and implementation of projects. This means that we have been able to disburse funds to project accounts immediately we receive and this has helped speed the implementation of projects within the required time this translates to increase in service delivery.

During the year, the Committee disbursed a total of Kshs. 38,006,700 as bursary to needy students out of it Kshs. 29,571,700 for secondary & Kshs. 8,435,000 for tertiary institutions and this benefitted a total of 4,000. Major physical facilities funded are infrastructure such as classrooms, administration blocks, laboratories, dormitories, toilets, lockers, chairs and desks. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families. Another major projects undertaken during the year is the Security projects which include Mwavache primary school and Zare primary school.

**MWAWACHE PRIMARY SCHOOL**

THE proposed construction of 8no.classrooms storey buildings was commenced in financial year 2019/2020 and completed in financial year 2021/2022.the project served as a face uplift of the depleted old bad state of the school in verge of collapsing due to its old state. The new modern classrooms will provide a conducive learning environment to the expected beneficiaries (pupils of grade 1 to grade six & ongoing class 7 and 8 on the last education system 8-4-4) each class has a capacity to hold 40 number of pupils.





*Mwatate Constituency*

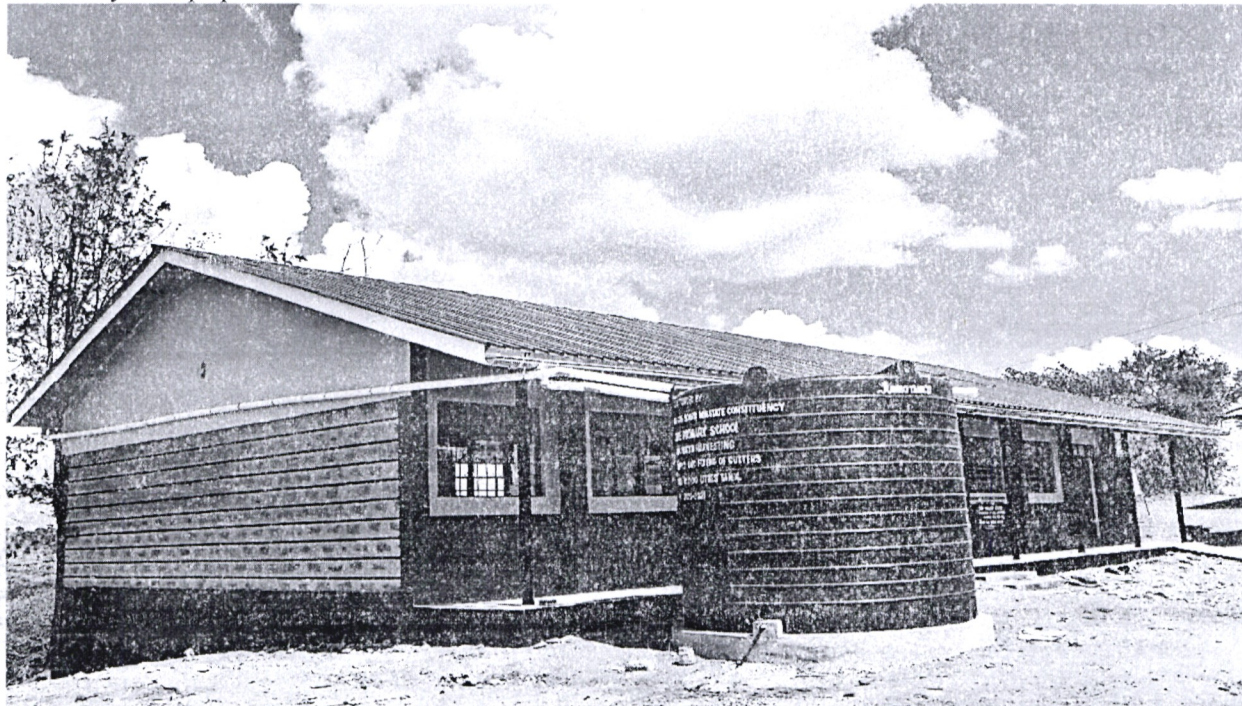
*National Government Constituencies Development Fund (NGCDF)*

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

---

**ZARE PRIMARY SCHOOL**

Zare primary school construction of 2 no. classrooms and purchase of 1 no.10, 000 cm<sup>3</sup> water tanks was commenced in f/y 2021/2022 and completed in the same fiscal year. The construction was to help curb the shortages of classrooms in the school as well as helped to solve the environmental degradation caused by rainy water and to increase a better learning environment to the teaching fraternity and pupils.



**CHALLENGES**

- -Insufficient funds for monitoring and evaluation, capacity building and training is are big challenge.
- -Late disbursement of funds for Re-allocations should be fast tracked.
- -Delay in disbursing funds from NG-CDF Board.

**WAY FORWARD.**

- -NG-CDF Board to release funds to the constituencies on time.
- -Allocation of monitoring & evaluation vote and capacity building should be improved.
- -Oversight committee should have their vote managed by the FAM.
- -Employment of FAM should be reviewed often to avoid the shortages being experience

.....  
**Name: Hannah Sau**  
**CHAIRMAN NGCDF COMMITTEE**



**III. Statement of Performance against Predetermined Objectives for FY2021/22**

**Introduction**

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

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

- 1) To improve access to education and training
- 2) To improve learning environment
- 3) To improve the working environment of security and interior personnel
- 4) To enhance environmental conservation
- 5) To build youth talents and skills in sports
- 6) To improve access to ICT infrastructure.

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To improve access to education and training	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- Increased number of students accessing education</li> <li>- Increased number of schools with adequate facilities and equipment</li> <li>- Improved performance in national examinations</li> <li>- Increased number of schools with adequate sanitation</li> </ul>	<p>In FY 2021/22 -we increased number of useable classrooms by 45 through renovations and constructed 30 new ones for students. To achieve social distance while learning.</p> <p>More than 6000 students benefited from Bursary</p>

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

			facilities	
Security	To improve the working and living conditions of security personnel in the Constituency	Increase and Improve the conditions of police stations within the constituency	- Increased number of housing units and offices for security personnel	In FY 2021/2022 we worked on construction of Kamtonga Police Station.
Environment	To promote environmental conservation in the Constituency	Increase in knowledge, skills and passion for sustainable environment practices	- Increased number of institutions with adequate sanitation facilities and water storage facilities and increase a forestation	In FY 2020/21 we invested in water harvesting program in 10 schools by providing 10,000 litres water tanks, water harvesting gutters for hygiene and improved sanitation & tree planting.
Sports	To build and enhance youth skills through sports interventions	Promotion of youth initiatives in building and nurturing their talents and skills in sports	- Increased sports activities through annual sports tournaments, Building more facilities in schools, provision of equipment and sports kits	In FY 2020/21 hosting of constituency tournament which involved youth's teams from all 6 wards?
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	Increase and Improve the conditions of learning institutions in case of any Disaster or emergency issue.	- Increased number of students accessing education - Increased number of schools with adequate facilities and equipment - Increased number of schools with adequate sanitation facilities.	More than 7 institutions benefited from Emergency kit.



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

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

- a. **Education and Training:** Mwatate 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**

Uncontrolled environmental degradation and effects of climate change negatively impact on the socio-economic development of the constituency. Major contributors to environmental degradation are human activity. These activities include deforestation through illegal logging, charcoal burning, forest clearing for agricultural activities, overstocking and subsequent overgrazing, illegal quarrying and water pollution through waste disposal. The depletion of mangrove forest reduces reproduction of marine life, deforestation and

Overgrazing leads to desertification and reduce rainfall and water sources, water pollution leads to water borne diseases while climate change has increased the frequency of high tide flooding.

Mwatate Constituency depends heavily on wood fuel for domestic use. Forest resources contribute heavily towards household budget through the burn and sell of charcoal. Widespread poverty, unemployment and climate change are the major driving forces to environmental degradation in the constituency.

We have implemented water harvesting projects in almost all learning institution in Mwatate constituency.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Mwatate 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. Mwatate 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-**

Mwatate 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-**



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

---

Mwatate 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.

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

  
.....  
**Name: Amina Ali**

**FAM**



## **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- Mwatate 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- Mwatate 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- Mwatate 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.


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

---

The Accounting Officer in charge of the NGCDF Mwatate Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

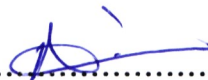
**Approval of the financial statements**

The NGCDF- Mwatate Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2023.



.....  
**Name: Hannah Sau**

**Chairman – NGCDF Committee**



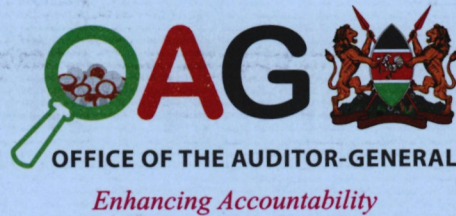
.....  
**Name: Amina Ali**

**Funds Account Manager**



# REPUBLIC OF KENYA

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



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

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

---

### 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 - Mwatate Constituency set out on pages 1 to 36, which comprise the statement of financial assets and liabilities, and the statement of

---

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



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 - Mwatate Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Inaccurate Transfers from National Government Constituencies Development Fund (NGCDF) Board**

The statement of receipts and payments and Note 1 to the financial statements reflects transfers from the NGCDF Board of Kshs.171,268,444 while records maintained by the National Government Constituencies Development Fund Board indicate disbursements of Kshs.172,558,444 to Mwatate Constituency, resulting in unexplained variance of Kshs.1,290,000.

As a result, the accuracy and completeness of the transfers from the NGCDF Board of Kshs.171,268,444 could not be Confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Mwatate 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 total budgeted receipts and actual on comparable basis of Kshs.236,782,630 and Kshs.171,268,444 respectively, resulting in a budget shortfall of Kshs.65,514,186 or 28% of the budget. Similarly, the Fund spent Kshs.193,962,389 against an approved budget of Kshs.236,782,630, resulting in an under-expenditure of Kshs.42,820,241 or 18%.

The underfunding and the underperformance adversely 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.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Delayed Implementation of Budgeted Projects**

Projects implementation status report as at 30 June, 2022 provided for audit review indicated that a total of twenty-nine (29) projects under primary schools, secondary schools, tertiary institutions, environment, sports and security sectors, with an approved total budget of Kshs.88,763,374 were rolled out across the Constituency. Out of these, eighteen (18) or 62% of the projects with a total budget of Kshs.22,350,000 were complete while eleven (11) or 38% of the projects with a total budget of Kshs.64,413,374 or 73% were partially complete as at 30 June, 2022 contrary to Regulation 11(b) and (c) of the National Government Constituencies Development Regulations, 2016 which provides that the Constituency Committee shall ensure that all proposed projects that are approved for funding meet the requirements of Section 24 of the Act and ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans. The slow implementation of projects may have denied the residents of Mwatate Constituency the required services.

As a result, Management was in breach of the law.

#### **2. Projects Inspections**

During the year under review, seventeen (17) projects valued at Kshs.67,193,374 were inspected in the month of March, 2023 and anomalies observed in ten (10) projects allocated a total of Kshs.51,603,374 as detailed below:

- i. Failure to advertise tenders
- ii. Expired performance board
- iii. Some works not undertaken
- iv. Incomplete projects
- v. Failure to provide bill of quantities
- vi. Projects not started
- vii. Stalled projects

The incomplete implementation and delayed completion of the projects may lead to lack of value for money and avoidable costs contrary to Regulation 11(b) and (c) of the National Government Constituencies Development Regulations, 2016 which provides that the Constituency Committee shall ensure that all proposed projects that are approved for funding meet the requirements of Section 24 of the Act and ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans.

As a result, Management was in breach of the law.

### **3. Non-Compliance with the Law on Minimum Share Allocated to Bursaries**

The statement of receipts and payments and Note 7 to the financial statements reflects other grants and transfers amounting to Kshs.55,039,599. Included in this amount is NGCDF bursary to secondary and tertiary institutions amounting to Kshs.38,006,700. Review of the expenditure revealed that during the financial year, the bursaries issued totalled to Kshs.38,006,700 out of a total budget allocation of Kshs.236,792,630 or 16% of the total budget, which is below 25% provided under Regulation 21(5) of the National Government Constituencies Development Fund Regulations, 2016 which stipulates that the Constituency Committee shall allocate not less than twenty-five percent of the funds allocated to a Constituency for bursaries.

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**

#### **Incomplete Summary of Fixed Assets Register**

As previously reported, the summary of fixed assets register reflects a historical cost of Kshs.750,000 in respect of one storeyed NG-CDF Mwatate Constituency Office which was not adequately supported with the contract documents and a schedule of payments. In the circumstances, summary of fixed assets register is not complete.

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 those Charged with Governance**

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

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

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

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

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

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

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in

compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 noncompliance. 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 the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

24 May, 2023


*Mwatate 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	171,268,444	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>171,268,444</b>	<b>161,367,724</b>
<b>Payments</b>			
Compensation Of Employees	4	3,148,287	4,443,424
Use Of Goods and Services	5	24,214,172	22,870,830
Transfers To Other Government Units	6	100,270,331	41,529,807
Other Grants and Transfers	7	55,039,599	47,915,110
Acquisition Of Assets	8	11,290,000	562,500
Other Payments	9	-	-
<b>Total Payments</b>		<b>193,962,389</b>	<b>117,321,671</b>
<b>Surplus/(Deficit)</b>		<b>(22,693,945)</b>	<b>44,046,053</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 \_\_\_\_\_ 2023 and signed by:

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

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

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

Name: Amina Ali

Name: Elijah M. Mwazo  
ICPAK M/No: 11808

Name: Hannah Sau

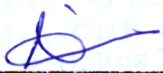



VIII. Statement of Assets and Liabilities as At 30<sup>th</sup> June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	10A	22,970,275	45,664,220
Cash Balances (Cash at Hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>22,970,275</b>	<b>45,664,220</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>Total Financial Assets</b>		<b>22,970,275</b>	<b>45,664,220</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>Total Financial Liabilities</b>		<b>22,970,275</b>	<b>45,664,220</b>
<b>Net Financial Assets</b>			
<b>Represented By</b>			
Fund Balance B/Fwd	13	45,664,220	1,618,167
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		-22,693,945	44,046,053
<b>Net Financial Position</b>		<b>22,970,275</b>	<b>45,664,220</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 \_\_\_\_\_ 2023 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name: Amina Ali

Name: Elijah M. Mwazo  
ICPAK M/No: 11808

Name: Hannah Sau

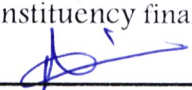
*Mwatate Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

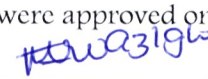
**Statement of Cash Flows for the Year Ended 30th June 2022**

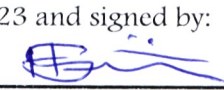
	Notes	2021 - 2021 Kshs	2021 - 2021 Kshs
<b>Receipts From Operating Activities</b>			
Transfers from NGCDF Board	1	171,268,444	161,367,724
Other Receipts	3	-	-
		<b>171,268,444</b>	<b>161,367,724</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,148,287	4,443,424
Use of goods and services	5	24,214,172	22,870,830
Transfers to Other Government Units	6	100,270,331	41,529,807
Other grants and transfers	7	55,039,599	47,915,110
Other Payments	9	-	-
		<b>182,672,389</b>	<b>116,759,171</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>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>(11,403,945)</b>	<b>44,608,553</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(11,290,000)	(562,500)
<b>Net cash flows from Investing Activities</b>		<b>(11,290,000)</b>	<b>(562,500)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	<b>45,664,220</b>	<b>1,618,167</b>
<b>Cash and cash equivalent at END of the year</b>		<b>22,970,275</b>	<b>45,664,220</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 \_\_\_\_\_ 2023 and signed by:

  
Fund Account Manager

  
National Sub-County Accountant

  
Chairman NG-CDF Committee

Name: Amina Ali

Name: Elijah M. Mwazo  
ICPAK M/No: 11808

Name: Hannah Sau



**Mwatate 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 a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	54,029,531	236,782,630	171,268,444	65,514,186	72%
Proceeds from Sale of Assets			0	-	-	
Other Receipts	0	0	0	-	-	
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>54,029,531</b>	<b>236,782,630</b>	<b>171,268,444</b>	<b>65,514,186</b>	<b>72%</b>
<b>PAYMENTS</b>						
Compensation of Employees	3,100,000		3,209,820	3,148,287	61,533	98%
Use of goods and services	9,237,998	2,014,200	23,764,172	24,214,172	(450,000)	102%
Transfers to Other Government Units	77,763,374	29,900,000	129,033,705	100,270,331	28,763,374	78%
Other grants and transfers	45,697,507	12,115,331	69,484,933	55,039,599	14,445,334	79%
Acquisition of Assets	1,290,000.00	10,000,000	11,290,000	11,290,000	-	100%
Other Payments	0		0	-	-	
<b>TOTAL</b>	<b>137,088,879</b>	<b>54,029,531</b>	<b>236,782,630</b>	<b>193,962,389</b>	<b>42,820,241</b>	<b>82%</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.**

**NOTES:**

- I. The adjustments figure on receipts column represent the roll receipts from previous year fy 2019/20,2020/2021
- II. Budget utilization difference on the receipts is a figure derived from the balance of ksh. 236, 782,630 and ksh. 216,932,664

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

- III. Underutilization for all other items was occasioned by delays in disbursement of funds from NG-CDF Board again towards the end of the closure of the FY 2021/2022 subsequently ksh. 18,559,966 had not been disbursed for previous year fy 2018/2019, 2019/20,2020/2021.
- IV. The over utilisation of use of goods and services is due to burzary sub committee allowances for vetting and distribution.
- V. Underutilisation of transfers to other grants and other grants and transfers was due late disbursement/release of funds from the board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	42,820,241
Less undispursed funds receivable from the Board as at 30th June 2022	65,514,186
	(22,693,945)
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	45,664,220
Cash and Cash Equivalents at the end of the FY 2021/2022	22,970,275

The Constituency financial statements were approved on \_\_\_\_\_ 2023 and signed by:





---

**Fund Account Manager**
**National Sub-County Accountant**

**Name: Aminia Ali**
**Name: Elijah M. Mwazo**  
**ICPAK M/No: 11808**

---

**Chairman NG-CDF Committee**

**Name: Hannah Sau**



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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 6/30/22 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Fbk) and A/A Kshs	Previous Years' Outstanding Disbursements Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,100,000	109,820		3,209,820	3,148,287	61,533
1.2 Committee allowances	4,125,332	3,677,139	2,014,200	9,816,671	9,816,671	-
1.3 Use of goods and services	1,000,000	1,409,503		2,409,503	2,409,503	-
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,000,000	2,800,000		3,800,000	3,800,000	-
2.2 Committee allowances	2,800,000	3,625,332		6,425,332	6,875,332	(450,000)
2.3 Use of goods and services	312,666	1,000,000		1,312,666	1,312,666	-
<b>3.0 Emergency</b>	<b>1,538,068</b>			<b>1,538,068</b>		<b>1,538,068</b>
<b>3.1 Primary Schools</b>						
3.1.1 WUMARI PRIMARY SCHOOL			929,000.00	929,000	929,000	-
3.1.2 MARIWENYI PRIMARY SCHOOL	834,655.00			834,655	834,655	-
3.1.3 BURA PRIMARY SCHOOL	990,988.00			990,988	990,988	-
3.1.4 MWAWACHE PRIMARY SCHOOL	3,000,000.00			3,000,000	3,000,000	-
3.1.5 MWAWACHE PRIMARY SCHOOL			2,500,000.00	2,500,000	2,500,000	-
3.1.6 DEMBWA PRIMARY SCHOOL		1,000,000.00		1,000,000	1,000,000	-
<b>3.2 Secondary schools</b>						



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

3.2.1 MWANGA SECONDARY SCHOOL	477,000.00			477,000	477,000	-
3.2.1 MSISINENYI ADULT EDUCATION CENTER		150,000.00		150,000	150,000	-
<b>3.3 Tertiary institutions</b>				-	-	-
<b>3.4 Security projects</b>				-	-	-
3.4.1 GODOMA CHIEFS OFFICE	351,496.00			351,496	351,496	-
<b>4.0 Bursary and Social Security</b>				-	-	-
4.1 Primary Schools				-	-	-
4.2 Secondary Schools	17,200,000	7,172,335		31,608,666	31,598,700	9,966
4.3 Tertiary Institutions	10,305,300			10,305,300	6,408,000	3,897,300
4.4 Universities				-	-	-
4.5 Social Security				-	-	-
<b>5.0 Sports</b>				-	-	-
5.1 CONSTITUENCY SPORTS	2,000,000	1,499,760		3,499,760	3,499,760	-
5.2				-	-	-
5.3				-	-	-
<b>6.0 Environment</b>				-	-	-
6.1 MWAVUNYU PRIMARY SCHOOL	2,000,000.00			2,000,000		2,000,000
6.2 CHAWIA SECONDARY SCHOOL		1,000,000		1,000,000	1,000,000	-
6.3 DEMBWA PRIMARY SCHOOL			300,000	300,000	300,000	-
6.4 KISHAU PRIMARY SCHOOL			1,000,000	1,000,000	1,000,000	-
<b>7.0 Primary Schools Projects</b>				-	-	-
7.1 MWATATE PRIMARY SCHOOL	11,000,000			11,000,000	11,000,000	-
7.2 MARIWENYI PRIMARY SCHOOL	10,000,000			10,000,000	5,500,000	4,500,000
7.3 KUNGU PRIMARY SCHOOL	10,000,000			10,000,000	10,000,000	-
7.4 KIPUSI PRIMARY SCHOOL	3,600,000			3,600,000	2,000,000	1,600,000
7.5 MGENO PRIMARY SCHOOL	3,000,000			3,000,000	3,000,000	-
7.6 MNAMU PRIMARY SCHOOL	3,000,000			3,000,000	3,000,000	-



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

7.7 KILULUNYI PRIMARY SCHOOL	3,000,000			3,000,000		3,000,000		3,000,000
7.8 MWAKITAU PRIMARY SCHOOL	1,500,000			1,500,000		1,500,000		1,500,000
7.9 KONGONI PRIMARY SCHOOL	1,500,000			1,500,000		1,500,000		1,500,000
7.10 CHUNGA UNGA PRIMARY SCHOOL	1,500,000			1,500,000		1,500,000		500,000
7.11 RONGE PRIMARY SCHOOL	5,000,000			5,000,000		5,000,000		1,500,000
7.12 MLUGHI PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.13 MANOA PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.14 MAZOLA PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.15 MWAWACHE PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.16 DEMBWA PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.17 MWAKINYUNGU PRIMARY SCHOOL	250,000			250,000		250,000		250,000
7.18 MRURU PRIMARY SCHOOL			2,000,000		2,000,000	2,000,000		2,000,000
7.19 MAMBURA PRIMARY SCHOOL			4,000,000		4,000,000	4,000,000		4,000,000
7.20 KIPUSI PRIMARY SCHOOL			1,800,000		1,800,000	1,800,000		1,800,000
7.21 MWAKITUTU PRIMARY SCHOOL			3,400,000		3,400,000	3,400,000		3,400,000
7.22 GODOMA PRIMARY SCHOOL		1,400,000			1,400,000	1,400,000		1,400,000
7.23 KIGHONONYI PRIMARY SCHOOL		2,100,000			2,100,000	2,100,000		2,100,000
7.25 MBAGHA PRIMARY SCHOOL		1,400,000			1,400,000	1,400,000		1,400,000
7.26 MRABENYI PRIMARY SCHOOL		2,100,000			2,100,000	2,100,000		2,100,000
7.27 MWASHUMA PRIMARY SCHOOL		1,400,000			1,400,000	1,400,000		1,400,000
7.28 MWAWACHE PRIMARY SCHOOL		8,000,000			8,000,000	8,000,000		8,000,000
7.29 WUMARI PRIMARY SCHOOL		1,400,000			1,400,000	1,400,000		1,400,000
7.30 ZARE PRIMARY SCHOOL		1,400,000			1,400,000	1,400,000		1,400,000
7.31 WUMARI PRIMARY SCHOOL			1,400,000		1,400,000	1,400,000		1,400,000
7.32 MWASHUMA PRIMARY SCHOOL			1,400,000		1,400,000	1,400,000		1,400,000
7.33 ZARE PRIMARY SCHOOL			1,400,000		1,400,000	1,400,000		1,400,000
7.34 MRABENYI PRIMARY SCHOOL			1,000,000		1,000,000	1,000,000		1,000,000
7.35 GODOMA PRIMARY SCHOOL			1,400,000		1,400,000	1,400,000		1,400,000
7.36 MBAGHA PRIMARY SCHOOL			1,400,000		1,400,000	1,400,000		1,400,000

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

7.37 KIGHONONYI PRIMARY SCHOOL		800,000	800,000	800,000	-
7.38 MRABENYI PRIMARY SCHOOL		800,000	800,000	800,000	-
7.39 MWAKITUTU PRIMARY SCHOOL		800,000	800,000	800,000	-
7.40 MRURU PRIMARY SCHOOL		800,000	800,000	800,000	-
7.41 MAMBURA PRIMARY SCHOOL		1,000,000	1,000,000	1,000,000	-
7.42 MWANGOJI PRIMARY SCHOOL		1,500,000	1,500,000	1,500,000	-
7.43 KIGHONONYI PRIMARY SCHOOL		1,000,000	1,000,000	1,000,000	-
7.44 MRABENYI PRIMARY SCHOOL		300,000	300,000	300,000	-
7.45 KIPUSI PRIMARY SCHOOL		1,000,000	1,000,000	1,000,000	-
7.46 MWAKITUTU PRIMARY SCHOOL		1,000,000	1,000,000	1,000,000	-
7.47 KUNGU PRIMARY SCHOOL		700,000	700,000	700,000	-
<b>8.0 Secondary Schools Projects</b>					
8.1 MWAFUGA SECONDARY SCHOOL	3,500,000		3,500,000	3,500,000	-
8.2 MWANGOJI SECONDARY SCHOOL	3,500,000		3,500,000		3,500,000
8.3 ST.JOSEPH SECONDARY SCHOOL	6,310,000		6,310,000		6,310,000
8.4 MWAKIRONGE SECONDARY SCHOOL	3,400,000		3,400,000	2,000,000	1,400,000
8.5 MWAKIRONGE SECONDARY SCHOOL	850,000		850,000		850,000
8.6 MWATATE DAY SECONDARY SCHOOL	5,603,374		5,603,374	1,500,000	4,103,374
8.7 ELIJAH MZAE SECONDARY SCHOOL		1,400,000	1,000,000	1,000,000	-
8.8 ELIJAH MZAE SECONDARY SCHOOL		370,331	1,400,000	1,400,000	-
8.9 MSISINENYI ADULT EDU		400,000	370,331	370,331	-
8.10 ELIJAH MZAE SECONDARY SCHOOL			400,000	400,000	-
<b>9.0 Tertiary institutions Projects</b>					
9.1					-
9.2					-
9.3					-



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

9.4										
<b>10.0 Security Projects</b>										
10.1 KAMTONGA POLICE STATION	7,000,000				7,000,000					7,000,000
10.2 MWAMBIRWA ASST COUNTY CO. OFFICE		1,000,000			1,000,000				1,000,000	
10.3										
<b>11.0 Acquisition of assets</b>										
11.1 Motor Vehicles (including motorbikes)	1,290,000			10,000,000					11,290,000	
11.2 Construction of CDF office										
11.3 Purchase of furniture and equipment										
11.4 Purchase of computers										
11.5 Purchase of land										
<b>12.0 Others</b>										
12.1 Strategic Plan										
12.2 Innovation Hub										
12.2										
Funds pending approval**		0								
<b>Total</b>	<b>137,088,879</b>	<b>45,664,220</b>	<b>54,029,531</b>	<b>236,782,630</b>	<b>193,962,389</b>	<b>42,820,241</b>				

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

## **XI. Significant Accounting Policies**

The principle accounting policies adopted in the preparation of these financial statements are set out below:

### **1. Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits (gratuity and retentions).

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

### **2. Reporting Entity**

The financial statements are for the NGCDF- Mwatate Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **3. Reporting Currency**

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

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

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

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

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



***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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



*Significant Accounting Policies continued*

**6. Cash and Cash Equivalents.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

***Significant Accounting Policies continued***

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30<sup>th</sup> 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.



*Significant Accounting Policies continued*

**14. Errors**

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

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

**15. Related Party Transactions**

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

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

**XII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
NGCDF Board		
B096986		15,000,000
B104651		20,000,000
A823693		28,867,724
B124729		9,000,000
B124865		5,500,000
B119981		10,000,000
B119981		13,000,000
B128222		6,900,000
B129184		6,000,000
B132278		6,000,000
B138947		13,000,000
B126239		6,100,000
B103034		10,000,000
B140677		12,000,000
B105229	<b>33,000,000</b>	
B105525	44,000,000	
B105885	22,000,000	
B128640	5,000,000	
B128954	12,000,000	
B154150	15,000,000	
B164380	20,000,000	
B155547	17,798,879	
A895051	637,930	
A88984	1,831,635	
	<b>171,268,444</b>	<b>161,367,724</b>

**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>	-	-



*Mwatate Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

**3. Other Receipts**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**4. Compensation of Employees**

	<b>2021-2022</b>	<b>2020-2021</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,833,397	2,485,779
<b>Personal allowances paid as part of salary</b>		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	-	1,679,003
Other personnel payments(NHIF)	90,250	78,850
Employer Contributions Compulsory national social security schemes	224,640	199,792
<b>TOTAL</b>	<b>3,148,287</b>	<b>4,443,424</b>

*Mwatate 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)*

**5. Use of Goods and Services**

	<b>2021-2022</b>	<b>2020-2021</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	678,645	4,514,395
Electricity	207,839	74,928
Water & sewerage charges	35,510	36,965
Office rent	-	-
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	180,000	-
Hospitality supplies and services	-	-
Other committee expenses	4,600,000	888,500
Committee allowance	18,300,000	16,625,000
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Fuel , oil & lubricants	200,000	124,006
Other operating expenses	-	-
Bank service commission and charges	12,178	6,712
Other Operating Expenses	-	-
Security operations	-	600,324
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	-
<b>TOTAL</b>	<b>24,214,172</b>	<b>22,870,830</b>

**6. Transfer to Other Government Units**

	<b>2021-2022</b>	<b>2020-2021</b>
<b>Description</b>	<b>Kshs</b>	<b>Kshs</b>
Transfers To Primary Schools (See Attached List)	90,100,000	41,529,807
Transfers To Secondary Schools (See Attached List)	10,170,331	-
Transfers To Tertiary Institutions (See Attached List)	-	-
<b>Total</b>	<b>100,270,331</b>	<b>41,529,807</b>



**Mwatate 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)*

**7. Other Grants and Other transfers**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary - Secondary ( see attached list)	31,598,700	21,172,000
Bursary -Tertiary ( see attached list)	6,408,000	9,423,000
Bursary- Special Schools	-	-
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NIHF)	-	-
Security Projects ( see attached list)	1,000,000	-
Sports Projects ( see attached list)	3,499,760	-
Water Projects(see attached list)	-	5,484,424
Environment Projects ( see attached list)	2,300,000	-
Emergency Projects ( see attached list)	10,233,139	11,835,686
<b>TOTAL</b>	<b>55,039,599</b>	<b>47,915,110</b>

**8. Acquisition of Assets**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	11,290,000	-
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 equipments	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	562,500
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>TOTAL</b>	<b>11,290,000</b>	<b>562,500</b>

*Mwatate 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)*

**9. Other Payments**

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

**10: 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>Kenya Commercial Bank, wundanyi Branch. NO.1107927838</i>	22,970,275	45,664,220
<b>Total</b>	<b>22,970,275</b>	<b>45,664,220</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>

*Notes to the Financial Statements (Continued)*

**11: Outstanding Imprests**

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



## 12A. Retention

	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	-	-

*[Provide short appropriate explanations as necessary]*

## 12B. Gratuity

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

## 13. Balances Brought Forward

	2021-2022 (1 <sup>st</sup> July 2021)	2020-2021 (1 <sup>st</sup> July 2020)
	Kshs	Kshs
Bank accounts	45,664,220	1,618,167
Cash in hand	-	-
Imprest	-	-
Total	45,664,220	1,618,167

*[Provide short appropriate explanations as necessary]*

## 14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	(-)	-	(-)
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	-

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

**\*\*** *The adjusted balances are not carried down on the face of the financial statement.  
(Entity to provide disclosure on the adjusted amounts)*

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

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A	-	-

**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	-	-



*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	1,290,610	645,305
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>1,290,610</b>	<b>645,305</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	61,533	441,449
Use of goods and services	(450,000)	452,869
Amounts due to other Government entities (see attached list)	28,763,374	68,124,046
Amounts due to other grants and other transfers (see attached list)	14,445,334	18,134,735
Acquisition of assets	-	3,600,000
Others ( <i>specify</i> )	-	-
Funds pending approval	-	-
<b>TOTAL</b>	<b>42,820,241</b>	<b>90,753,099</b>

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

---

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	28,607,009	10,573,520
	-	-
<b>Total</b>	<b>28,607,009</b>	<b>10,573,520</b>



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

**Annexes**  
**Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
<b>Construction of buildings</b>					
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>					

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

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

<b>Name of Staff</b>	<b>Designation</b>	<b>Date employed</b>	<b>Outstanding Balance 30th June 2022</b>	<b>Comments</b>
<b>NG-CDFC Staff</b>				
Violet Mwamrizi	Secretary	5th September 2016	148,800	
Brown Toli	Support Staff	5th September 2016	108,698	
Festus Mwangombe	Driver	5th September 2016	156,560	
Tobias Maghanga	Support Staff	5th September 2016	108,698	
Boniface Mwabonje	Account Assistant	15th October 2018	183,486	
Rajab Kafuta	Public Relation Officer	15th October 2018	183,486	
Simon Dadi	Support Staff	15th October 2018	108,698	
Mary Wambua	Support Staff	15th October 2018	108,698	
Annet Mwashighadi	Clerk Of Works	28th February 2019	183,486	
	<b>Sub-Total</b>		<b>1,290,610</b>	
	<b>Grand Total</b>		<b>1,290,610</b>	



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

**Annex 3 – Unutilized Fund**

Name	Brief Description	Transaction	Outstanding Balance	Outstanding Balance	Comments
			2021/2022	2020/201	
Compensation of employees			61,533	441,449	
Use of goods & services			(450,000)	452,869	
Amounts due to other Government entities					
<b>Primary Schools Projects</b>				62,253,715	
Mariwenyi Primary School			4,500,000		
Kipusi Primary School			1,600,000		
Kilulunyi Primary School			3,000,000		
Chunga Unga Primary School			500,000		
Ronge Primary School			1,500,000		
Mlughl Primary School			250,000		
Manoa Primary School			250,000		
Mazola Primary School			250,000		
Mwawache Primary School			250,000		
Dembwa Primary School			250,000		
Mwakinyungu Primary School			250,000		
<b>Secondary School Projects</b>				5,870,331	
Mwangoji Secondary School			3,500,000		
St. Joseph Secondary School			6,310,000		
Mwakironge Secondary School			1,400,000		
Mwakironge Secondary School			850,000		
Mwatate Day Secondary School			4,103,374		
Tertiary Projects			-		
<b>Sub-Total</b>			<b>28,374,907</b>	<b>69,018,364</b>	

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

<b>Amounts due to other grants and other transfers</b>				
Security Projects			1,000,000	
Kamtonga Police Station		7,000,000		
Emergency		1,538,068	1,909,338	
Environment			2,000,000	
Mwavunyu Primary School		2,000,000		
Bursary		3,907,266	11,209,821	
Sports			2,000,000	
Water Project		-	15,576	
<b>Sub-Total</b>		14,445,334	18,134,735	
<b>Sub-Total</b>		<b>42,820,241</b>	<b>87,153,099</b>	
Acquisition of assets			3,600,000	
			-	
<b>Others (specify)</b>				
<b>Sub-Total</b>			3,600,000	
Funds pending approval				
<b>Grand Total</b>		<b>42,820,241</b>	<b>90,753,099</b>	



## Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures	750,000	-	-	750,000
Transport equipment	984,214	11,290,000.	-	12,274,214
Office equipment, furniture and fittings	2,909,000	-	-	2,909,000
ICT Equipment, Software and Other ICT Assets	795,250			795,250
Other Machinery and Equipment				
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>TOTAL</b>	<b>5,438,464</b>	<b>11,290,000</b>		<b>16,728,464</b>

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

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

<b>PMC ACCOUNT</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2021/2022</b>	<b>Bank Balance 2020/2021</b>
KITIVO PRIMARY SCHOOL	KCB	1183979606	3,274	3,275
MARIWENYI PRIMARY SCHOOL	KCB	1207199915	1,029,030	75
MWATUNGE PRIMARY SCHOOL	EQUITY	790262611336	24	24
MWAMBOTA PRIMARY SCHOOL	EQUITY	790264750972	2,356	2,356
KIGHOMBO PRIMARY SCHOOL	KCB	1208412043	69,157	4,929
ZARE PRIMARY SCHOOL	KCB	1176597256	9,005	9,004
MRUGHUA PRIMARY SCHOOL	KCB	1118978234	983	983
MWEMBA PRIMARY SCHOOL	KCB	1176706683	60,429	61,620
MANOA PRIMARY SCHOOL	KCB	1176836714	5,233	5,233
JOSA PRIMARY SCHOOL	KCB	112771000	866	866
MAZOLA PRIMARY SCHOOL	KCB	1208555154	68,350	69,415
MWAWACHE PRIMARY SCHOOL	KCB	1134778813	14,274	2,432,805
MNAMU PRIMARY SCHOOL	EQUITY	7902974333273	5,912	5,912
MGENO PRIMARY SCHOOL	EQUITY	790293408297	16,005	16,005
CHAKALERI PRE SCHOOL	CO-OPERATIVE	1139220307500	1,577	1,577
MWACHABO PRIMARY SCHOOL	KCB	1109443536	373	373
KWATEKA PRIMARY SCHOOL	KCB	1119861888		



**Mvatate Constituency**

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

				670	670
KWAMONE PRE SCHOOL	EQUITY	263540409	161	161	161
KISHAU PRIMARY SCHOOL	KCB	1135939071	248	248	248
LAGHONYI SECONDARY SCHOOL	EQUITY	790297606691	6,278	6,278	6,278
ZARE SECONDARY SCHOOL	CO-OPERATIVE	1139220327700	12,512	12,512	12,512
MWEMA SECONDARY SCHOOL	KCB	294686784	59,228	59,228	59,228
MWATATE SECONDARY SCHOOL	CO-OPERATIVE	1134220137400	3,562	3,562	3,562
KOMBOLIO SECONDARY SCHOOL	CO-OPERATIVE	1134220282000	3,575	3,575	3,575
MWAKITAU SECONDARY SCHOOL	KCB	1135306478	113,794	113,794	114,985
KITUMA SECONDARY SCHOOL	EQUITY	790299882033	77,932	77,932	77,932
MWANDANGO SECONDARY SCHOOL	KCB	223687337	42,364	42,364	42,364
MZWANENYI SECONDARY SCHOOL	KCB	294686646	20,383	20,383	20,383
MWANYAMBO SECONDARY SCHOOL	CO-OPERATIVE	1139220315300	277,002	277,002	277,002
MWATATE TECHNICAL INSTITUTE	KCB	1171174055	610	610	610
MWANDISHA PRIMARY SCHOOL	KCB	1208054562	158,674	158,674	159,865
MSISINENYI PRIMARY SCHOOL	KCB	1178731014	23,528	23,528	23,528
BAGHAU PRIMARY SCHOOL	KCB	1204877432	23	23	23
MENGO PRIMARY SCHOOL	KCB	1204810087	1,184,764	1,184,764	1,186,155
KIDAYA-SAGHAIGHU PRIMARY	KCB	1201488028	8,073	8,073	8,073

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

MWACHAWAZA PRIMARY SCHOOL	KCB	1135962855	340	340
MANOA PRIMARY SCHOOL	KCB	1176836714	5,234	6,425
MWAVUNYU PRIMARY SCHOOL	KCB	1209006243	9,512	9,512
NYOLO PRIMARY SCHOOL	KCB	1131078098	262,427	350,411
MWAKALERI PRIMARY SCHOOL	KCB	117492639	10,929	10,929
CHUNGA UNGA PRIMARY SCHOOL	KCB	1202079466	166,153	314,031
MZWANENYI SEC SCHOOL	KCB	1104854554	19,192	20,383
ELIJAH MZAE SEC SCHOOL	KCB	1136746285	2,798,995	405
MWANGOJI SEC SCHOOL	KCB	1104864215	6,511	6,511
NGANGU SECONDARY SCHOOL	KCB	1120851556	31,690	32,689
KITAWI SEC SCHOOL	KCB	1118287215	992	992
MSORONGO PRIMARY SCHOOL	KCB	1233616781	29,745	30,809
MNENGWA PRIMARY SCHOOL	KCB	1253925917	338,744	440,135
BURA PRIMARY SCHOOL	KCB	1254776370	459,841	26,312
MWAKINYUNGU PRIMARY SCHOOL	KCB	1257535242	48,295	49,360
ZARE SECONDARY SCHOOL	KCB	12631114709	107,326	107,326
RONGE PRIMARY SCHOOL	KCB	1267668423	1,552	1,552
MWATATE PRIMARY SCHOOL	KCB	120896584		1,056
MWAMBIRWA ACC OFFICE	KCB	1260178943		



MLUGHI PRIMARY SCHOOL	KCB	1261708121	2,047,999	1,049,064
MAMBURA PRIMARY SCHOOL	KCB	1133870775	1,091,358	900
KONGONI PRIMARY SCHOOL	KCB	1204954984	10,484	4,719
GODOMA CHIEFS OFFICE	KCB	1266483152	5,130	1,347
DEMBWA PRIMARY SCHOOL	KCB	1263363199	27,317	1,931,816
MWASERE GIRLS SEC SCHOOL	KCB	12750982558	57,033	58,098
MNGAMA PRIMARY SCHOOL	KCB	1283024128	42,681	125,823
WUMARI PRIMARY SCHOOL	KCB	1282902865	82,248	199,910
MWEMBA PRIMARY SCHOOL	KCB	1176706683	-	61,620
MLAMBA HIGH SCHOOL	EQUITY	790293407597	2,578	2,578
KIGHOMBO PRIMARY SCHOOL	KCB	1208412043	69,157	701,472
MSISINENYI ADULT & CONTINUING EDU	KCB	1279487127	21,688	63,241
CHAWIA HUGH SCHOOL	KCB	1103791605	1,016,432	
KISHAU PRIMARY SCHOOL	KCB	1292312912	762,209	
KUNGU PRIMARY SCHOOL	KCB	1290205566	3,386,739	
KIPUSI PRIMARY SCHOOL	KCB	1289563160	2,030,610	
MRURU PRIMARY SCHOOL	KCB	1290281211	973,231	
MWAKITUTU PRIMARY SCHOOL	KCB	1290051143	126,505	

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


GODOMA PRIMARY SCHOOL	KCB	1291037950	1,044,817	
KIGHONONYI PRIMARY SCHOOL	KCB	1289578087	1,587,995	
MBAGHA PRIMARY SCHOOL	KCB	1291071288	812,039	
MRABENYI PRIMARY SCHOOL	KCB	1289478848	613,441	
MWASHUMA PRIMARY SCHOOL	KCB	1292587644	15,961	
MWAFUGA SECONDARY SCHOOL	KCB	1131759877	3,527,823	
ST. JOSEPH SECONDARY SCHOOL	KCB	1295526034	730	
MWATATE DAY SECONDARY SCHOOL	KCB	1296167763	1,501,500	
<b>TOTAL</b>			<b>28,607,009</b>	<b>10,573,520</b>



**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)
MSA/ NGCDF/ VOI/ 2019/ 2020/ (2)	i) Unsupported Use of Goods and Services	Allowances have been supported by Minutes and signed attendance registers	Resolved	August 2021
	ii) Errors in Reconciliation of Bank balances	Cheque was not replaced by 30 <sup>th</sup> June 2019 affecting opening balance	Resolved	August 2021
	iii) Unsupported Project Management Committee Bank Balances	PMC bank balance certificates of bank balances not provided for audit but supporting bank statements availed	Resolved	August 2021
	iv) Omitted Asset in Summary of Fixed Asset Register	The NG-CDF offices valued at Kshs. 750,000 was supported by approved code list	Not Resolved	August 2021

.....  
  
 Name  
 Fund Account Manager.

