

REPUBLIC OF KENYA



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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 28 SEP 2023	DAY: Thursday
TABLED BY: Hon Owen Baya, MP Deputy Leader, majority	
CLERK AT THE TABLE: Anne Shubuko	

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – WEBUYE EAST CONSTITUENCY**

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



WEBUYE EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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

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I. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mary Gorretti Machuma Wanjala
2.	Sub-County Accountant	Mildred Barasa
3.	Chairman NGCDFC	Isaac Munganyi Namusasi
4.	Member NGCDFC	Roselyne Namwatikho Wanyonyi

(d) Fiduciary Oversight Arrangements

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

P.O. Box 404-50205
NG-CDF office Building
DCC's Compound
WEBUYE KENYA

(f) Webuye East Constituency NGCDF Contacts

Telephone: (254) 0723747868
E-mail: webuyeeast@ngcdf.go.ke
Website: www.webuyeeast.go.ke

(g) Webuye East Constituency NGCDF Bankers

Kenya Commercial Bank
P.O Box 332 -50205,
WEBUYE

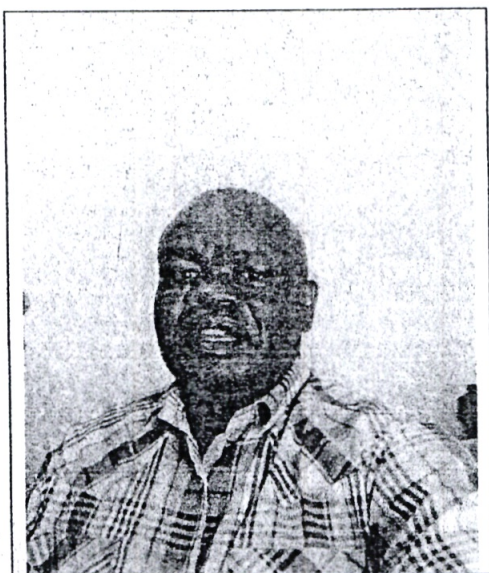
(h) Independent Auditors

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



**ISAAC NAMUSASI MUNG'ANYI
WEBUYE EAST NG-CDFC CHAIRMAN**

The NGCDFC's wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The constituency was allocated Kshs. 137,088,879 in the financial year 2021/2022.

Education programmes were allocated Kshs. 86,829,956 which was 63% of the entire budget followed by Bursary schemes at Kshs. 30,000,000 or 22% of the total budget. The NG-CDF has improved the Education and Security infrastructures of Webuye East. Literacy levels have gone up as a result of bursary disbursement. Other sectors under consideration included environment where exhaustible pit latrines were constructed, Security sector funded for land purchase and construction of offices, renovation of water borehole and fencing as well sports activities which had the purchase of foot ball sports uniforms and kits for secondary schools.

The constituency successfully set on course the construction of 24 schools for the construction of 2 classrooms with one or which they were 3 classrooms, Construction of dormitories with ablution blocks in three secondary schools, one twin science laboratory, exhaustible pit latrines in 8 schools, construction of 8 classrooms and an administration block at Webuye ACK Primary school being a change of activity.

The NG-CDFC held the public project participation meetings in August 2021 to guide in project Identification which increased project ownership.

BUDGET ALLOCATION PER SECTOR - 2021/2022 FYR

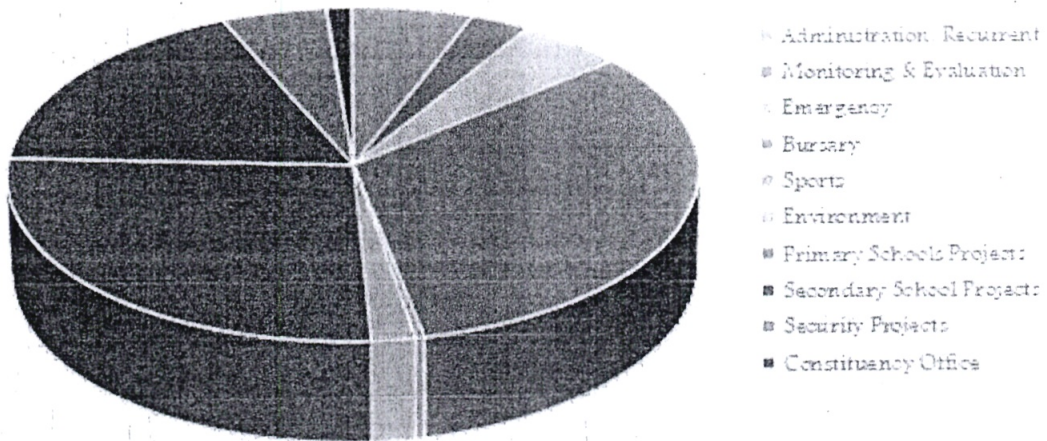


Fig 1: Budget allocation for 2021/2022 per sector.

There was a brought forward balance of previous years fund of Kshs. 113,977.568 which led us to have a total of Kshs. 251, 066, 447 as funds available to be spend in the year. We were able to get Kshs. 331,000 from sale of tenders. With these previous funds, the Education Primary Projects had 31%, Bursary 29 % and Education secondary 22%. Security projects got 4% as environment had 1% with constituency office and sports getting 1% and 1% respectively.

FUNDS ALLOCATED AGAINST EXPENDITURE

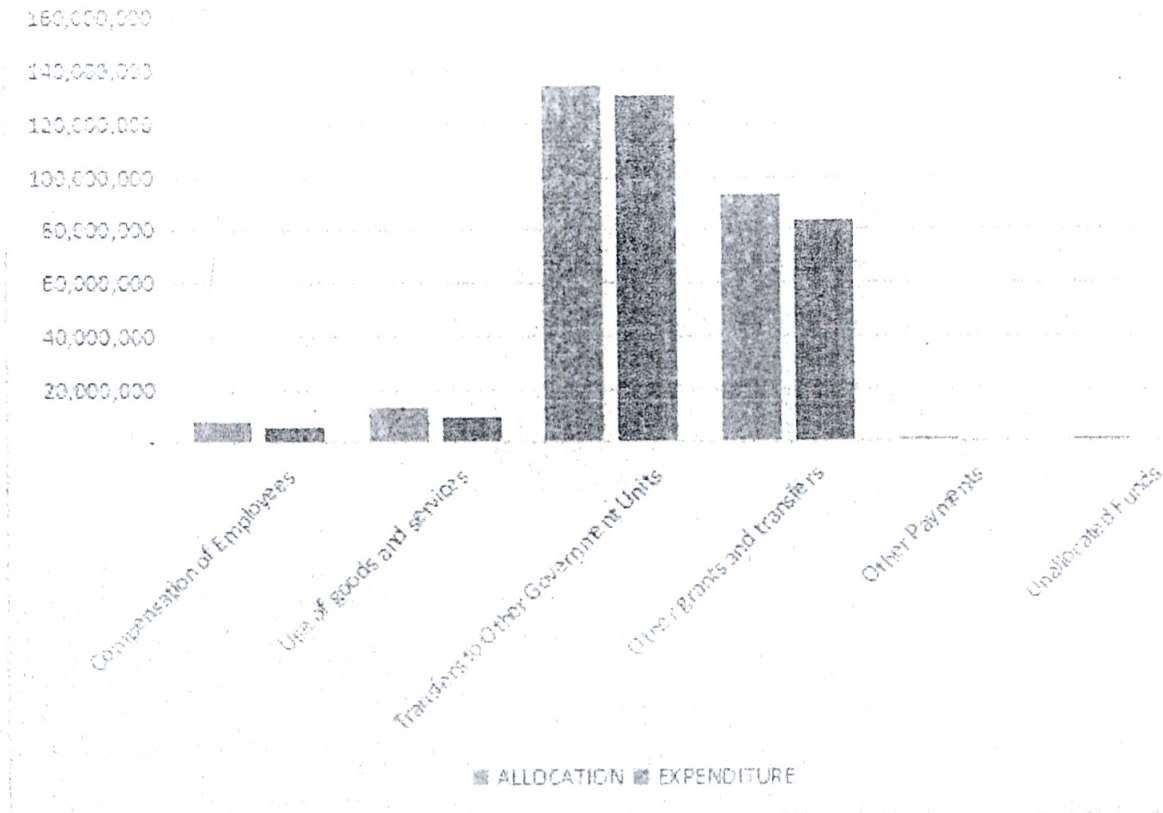


Fig 2: Shows the actual budgeted and Spend funds in the financial year 2021/2022

The constituency having had a total of Kshs. 251, 066, 447 was able to spend a total of Kshs. 230,170,871 which is 92% of the funds allocated. All funds held at the board due to conditional approval were satisfactorily responded to and released to the constituency. The cash book balance at the closure of the year was Kshs. 21,226,576.

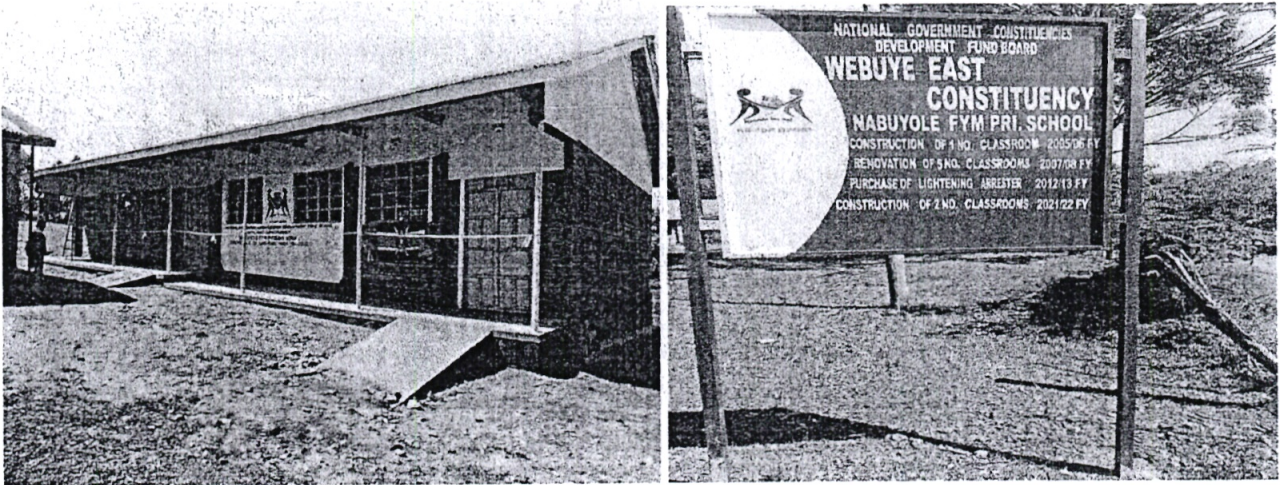


Fig 3: Shows a newly constructed 2 classrooms at Nabuyole FYM Primary School in the 2021/2022 FYR for enhancing learning environment.

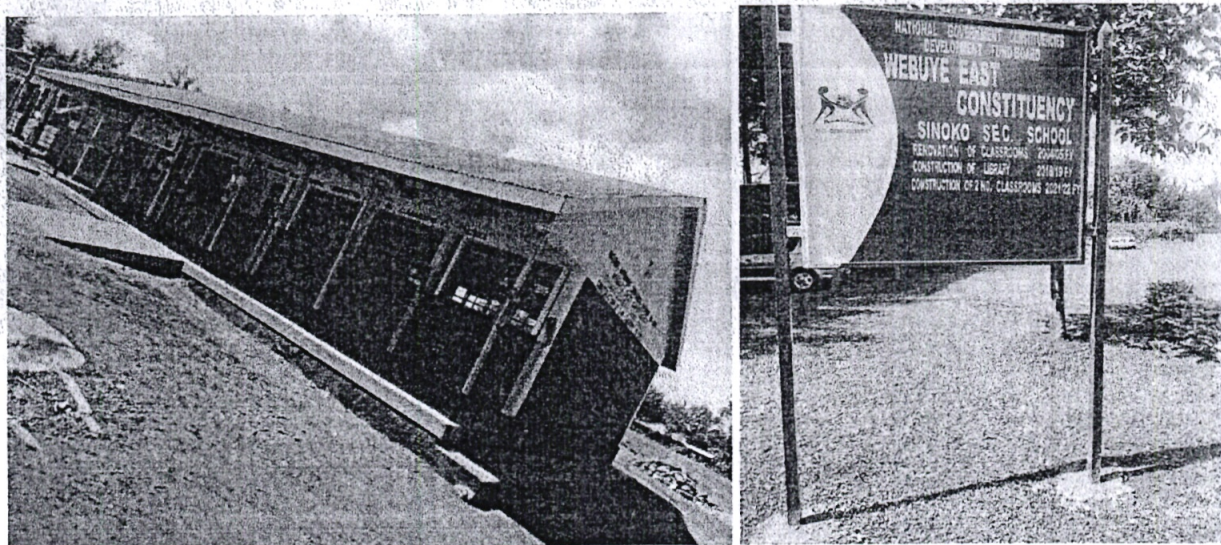


Fig 4: Shows a newly constructed 2 classrooms Block at Sinoko Secondary School for the 2021/2022 FYR for enhancing learning environment.

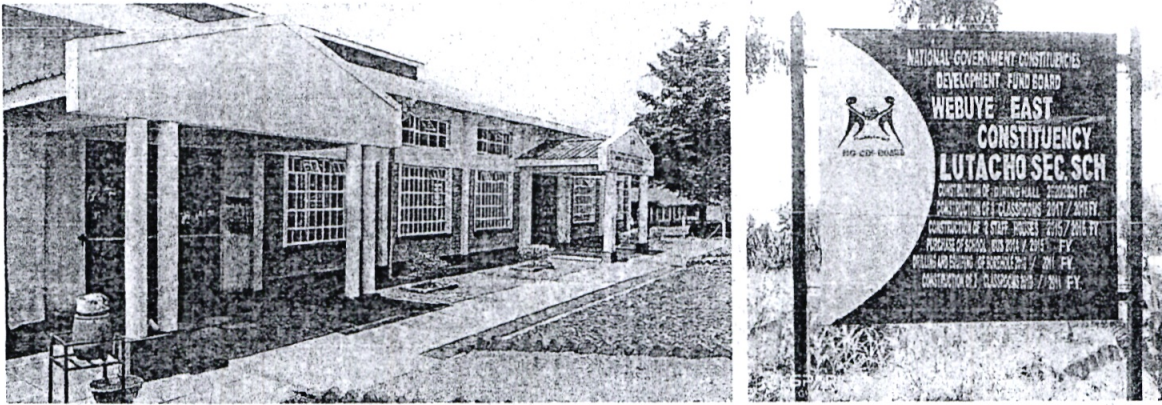


Fig 5: Shows a newly constructed dining hall Block at Lutacho Secondary School for the 2020/2021 FYR now completed for enhancing learning environment.

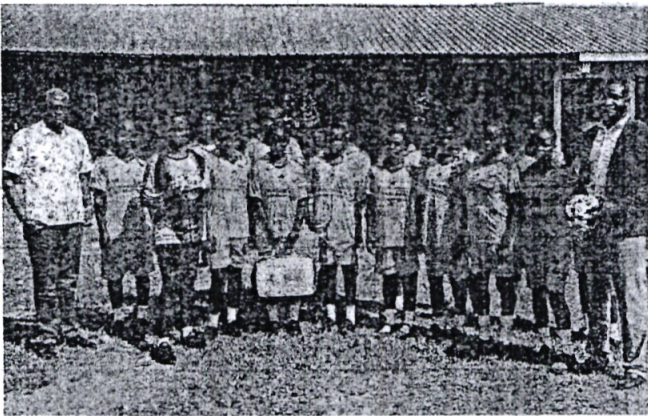



Fig 6: Sports uniforms and kits to Boys team St. Paul's Nzoia RC Secondary School



Fig 7: Sports uniforms and kits to Girls team Makuselwa Secondary School

Sign

ISAAC MUNGANYI NAMUSASI
CHAIRMAN NG-CDF 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 *Webuye East Constituency 2018-2022* plan are to:

- To increase and equip learning institutions with adequate instructional materials and man power
- To raise literacy levels equitably for both males and females
- To sensitize the community on the proper use of available resources
- To tarmac the major roads and make all feeder roads all weather
- To upgrade and increase health facilities
- To sensitize the community and build their capacity to monitor and evaluate projects

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	<ul style="list-style-type: none"> • Sensitize parents on the importance of Early Childhood Development (ECD) • Educate parents and students on the importance of education • Affirmative 	<p>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</p> <p>Improved infrastructure in schools</p>	<p>Number of usable physical infrastructure build in primary, secondary, and tertiary institutions</p> <p>Number of bursary beneficiaries at all</p>	<p>Completed structures: 25 classrooms, one multipurpose hall, 4 door exhaustible pit latrines, and One 12 door no. Purchased 10 acres of land. Ablution block Ongoing</p>

*Webuye East Constituency
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Constituency Program	Objective	Outcome	Indicator	Performance
	action to ensure that the girl child's education is a priority in the constituency		levels	structures: 25 classrooms, 40 door exhaustible pit latrines, 4 dormitories, twin science laboratory and purchase of 6 acres of land. 10,745 students benefited from bursary.
Environment	Improve access to a more sustainable and conserved environment	Improved sanitation facilities in schools Provision of tree seedlings to schools to improve the forest cover	Number of sanitation facilities built in schools Number of trees planted	Constructed 16 door toilets and two urinals.
Sports	Empower youth and special groups in the constituency	Improved cohesion and enhanced economic growth through sports	Number of youth groups benefiting from the sports programme	Availed football sports uniforms and kits to 13 secondary schools.
Emergency	Respond to unforeseen emergency situations	Emergency situations responded to	Number of beneficiary institutions	Four Primary schools and two secondary schools emergencies responded to.

IV. Environmental and Sustainability Reporting

Webuye East 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 Webuye East NG-CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Webuye East 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 marginalized groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NG-CDF 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, solid waste disposal management, 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 the issuance of sports kits and that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

Due to the covid 19 pandemic challenges, we were not able to handle the sports tournaments but instead opted to purchase sports uniforms and kits for secondary schools geared towards improved sports talent management.

2. Environmental performance

- *During the project implementation, the contractors added the iec slogans and symbols on their respective contractors sign posts where by the general public and students could get information and reminders on current matters of concern ranging from: Drug and substance abuse, Covid 19 pandemic, HIV and Aids, Cancer, Gender based violence among others.*
- *Sensitization of youth/community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *Training of the PMCs and NG-CDFCs captured crucial topics under the drugs and substance abuse, HIV and Aids and Covid 19 pandemics.*

3. Employee welfare

We invest in providing the best working environment for our employees. Webuye East 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. Webuye East 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-

Webuye East NG-CDF Constituency is committed to fair and ethical market practices.

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 practices 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.

NG-CDF 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-

Webuye East NG-CDF 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.

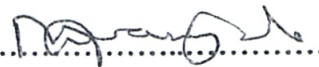
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



Mary Gorretti Wanjala - Fund Account Manager



7. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NG-CDF Webuye East 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.

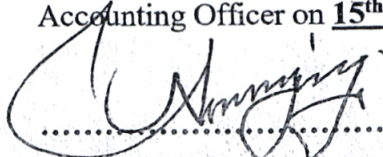
The Accounting Officer in charge of the NGCDF-Webuye East Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting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

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National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NG-CDF Webuye East 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 NG-CDF Webuye East Constituency financial statements were approved and signed by the Accounting Officer on 15th September, 2022.



Name: Isaac Munganyi Namusasi
Chairman – NGCDF Committee



Name: Mary Gorretti Wanjala
Fund Account Manager



REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WEBUYE EAST 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 – Webuye East Constituency set out on pages

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

1 to 33, which comprise of the statement of assets and liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and a summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Webuye East 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Accuracy of Unutilized Funds Balance

Note 17.3 to the financial statements reflect a comparative balance of Kshs.112,558,681 in respect of unutilized funds, as detailed in Annex 3. However, the balance is at variance with the corresponding closing balance of Kshs.112,588,681 reflected in the audited financial statements for the year ended 30 June, 2021. The variance of Kshs.30,000 has not been explained or reconciled.

Further, annex 3 reflects only sub-totals for unutilized funds but does not show the individual balances supporting the sub-totals.

In the circumstances, the accuracy and completeness of the unutilized funds balance of Kshs.112,558,681 could not be confirmed.

2. Unsupported Expenditure on Bursaries

The statement of receipts and payments reflects an amount of Kshs.83,938,965 in respect to other grants and transfers which, as disclosed in Note 7 to the financial statements, includes Kshs.42,702,843 and Kshs.24,588,490 being bursary disbursements to secondary schools and tertiary institutions respectively, totalling Kshs.67,291,333.

However, the entire amount of Kshs.24,588,490 disbursed to tertiary institutions was not supported by a list of beneficiaries and acknowledgement receipts from recipient institutions. In addition, out of the Kshs.42,702,843 disbursed to secondary schools, only Kshs.9,458,000 was supported by a list of beneficiaries while only Kshs.892,000 was supported by acknowledgement receipts from the recipient schools.

In the circumstances, the propriety of Kshs.67,291,333 disbursed as bursaries to both tertiary institutions and secondary schools could not be confirmed.

3. Accuracy of Comparative Balance on Project Management Committee Balance

Note 17.4 to the financial statements reflects Project Management Committee (PMC) comparative balance of Kshs.33,574,738 which, however, is at variance from the corresponding closing balance of Kshs.23,273,754 reflected in the audited financial statements for the year ended 30 June, 2021. The variance of Kshs.10,300,984 was not explained or reconciled.

In the circumstances, the accuracy and completeness of the PMC comparative balance of Kshs.33,574,738 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 - Webuye East Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects total actual expenditure of Kshs.230,170,871 against approved budget of Kshs.251,397,447 resulting to under-performance of Kshs.21,226,576 or 8% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Insure Fixed and Moveable Assets

The financial statements reflect, under Annex 4 on summary of the fixed asset register, fixed assets valued at Kshs.43,392,196 as at 30 June, 2022 classified under various categories. However, only assets with values totalling Kshs.8,107,630 under transport equipment category have been insured while the balance of assets with values totalling Kshs.35,284,566 have not been insured contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2015 which stipulates that all fixed and movable assets, including equipment bought under this Act for use by the Constituency Committee shall be the property of the Board and shall be insured in the name of the Board.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 misstatements, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to

sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Fund or to cease its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not

reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the appropriate basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

14 September, 2023

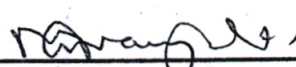
*Webuye East Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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

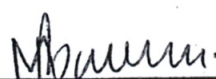
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	190,967,758	152,577,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	331,000	14,900
Total Receipts		191,298,758	152,592,624
Payments			
Compensation Of Employees	4	5,520,745	2,172,295
Use Of Goods and Services	5	8,928,477	5,770,304
Transfers To Other Government Units	6	131,003,183	48,369,328
Other Grants and Transfers	7	83,938,965	43,369,646
Acquisition Of Assets	8	779,500	-
Other Payments	9	-	-
Total Payments		230,170,871	99,681,573
Surplus/(Deficit)		(38,872,113)	52,911,052

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

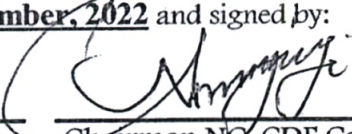
The Constituency financial statements were approved on **15th September, 2022** and signed by:


Fund Account Manager

Name: Mary Gorretti Wanjala


National Sub-County
Accountant

Name: Mildred Barasa
ICPAK M/No: 15874


Chairman NG-CDF Committee

Name: Isaac N. Mung'anyi

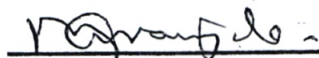


VIII. Statement of Assets and Liabilities As At 30th June, 2022

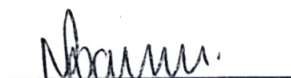
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	21,226,576	60,098,689
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		21,226,576	60,098,689
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		21,226,576	60,098,689
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	881,136
Total Financial Liabilities		-	881,136
Net Financial Assets		21,226,576	59,217,553
Represented By			
Fund Balance B/Fwd	13	60,098,689	5,768,750
Prior Year Adjustments	14	-	537,751
Surplus/Deficit for The Year		(38,872,113)	52,911,052
Net Financial Position		21,226,576	59,217,553

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

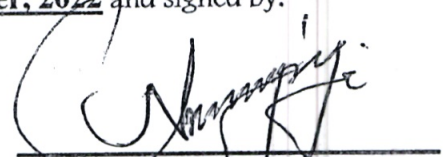
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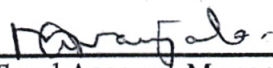


Statement of Cash Flows for the Year Ended 30th June 2022

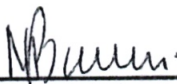
	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	190,967,758	152,577,724
Other Receipts	3	331,000	14,900
Total Receipts		191,298,758	152,592,624
Payments			
Compensation Of Employees	4	5,520,745	2,172,295
Use Of Goods and Services	5	8,928,477	5,770,304
Transfers To Other Government Units	6	131,003,183	48,369,328
Other Grants and Transfers	7	83,938,965	43,369,646
Other Payments	9	-	-
Total Payments		229,391,371	99,681,573
Total Receipts Less Total Payments			
Adjusted For:		-	-
Decrease/(Increase) In Accounts Receivable	15	-	881,136
Increase/(Decrease) In Accounts Payable	16	-	537,751
Prior Year Adjustments	14	-	1,418,887
Net Cash Flow from Operating Activities		(38,092,613)	54,329,939
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(779,500)	-
Net Cash Flows from Investing Activities		(779,500)	-
Net Increase In Cash And Cash Equivalent		(38,872,113)	54,329,939
Cash & Cash Equivalent At Start Of The Year	10	<u>60,098,689</u>	<u>5,768,750</u>
Cash & Cash Equivalent At End Of The Year	10	<u>21,226,576</u>	<u>60,098,689</u>

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

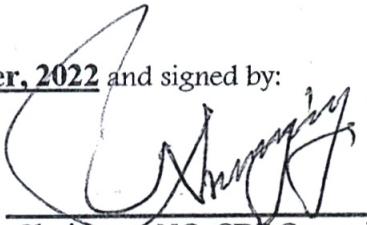
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Accountant

Name: Mildred Barasa
ICPAK M/No: 15874


Chairman NG-CDF Committee

Name: Isaac N. Mung'anyi



*Webuye East 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 30th June 2022

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
				c=a+b	d	e=c-d	f=d/c %
	a	b		2021/2022	30/06/2022		
Receipts	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	137,088,879	60,098,689	53,878,879	251,066,447	251,066,447	-	100%
Proceeds From Sale of Assets	-	0	0	0	0	-	0%
Other Receipts	-	331,000.00	0	331,000	331,000	-	100%
Totals	137,088,879	60,429,689	53,878,879	251,397,447	251,397,447	-	100%
Payments							
Compensation of Employees	4,153,028	4,070,537	0	8,223,565	5,520,745	2,702,820	67%
Use of Goods and Services	8,184,970	3,805,787	278,489	12,269,246	8,928,477	3,340,769	73%
Transfers to Other Government Units	60,879,378	19,993,415	53,600,390	134,473,183	131,003,183	3,470,000	97%
Other Grants and Transfers	62,221,503	31,448,950	0	93,670,453	83,938,965	9,731,488	90%
Acquisition of Assets	1,650,000	780,000	0	2,430,000	779,500	1,650,500	32%
Other Payments	0	0	0	0	-	-	0%
Funds Pending Approval (AIA)	0	331,000	0	331,000	-	331,000	0%
Totals	137,088,879	60,429,689	53,878,879	251,397,447	230,170,871	21,226,576	92%

***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.*

Explanatory Notes .

- (a) The Use of goods and services was utilized at 73% and compensation of employees amount was utilized at 67% as the funds were budgeted up to December, 2022 to meet the ongoing budgetary requirements as we await for the next budget which usually delays.*
- (b) The Acquisition of Assets funds were received in June - towards the closure of the financial year and hence, need to plan for the renovation of the NG-CDF office and purchase of the NG-CDF Motor Cycle in the next year.*
- (c) There are changes in the final budget arising from re allocation of funds from past emergency funds to Education and Security sectors.*

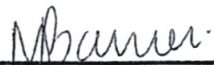
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	21,226,576
Less undisbursed funds receivable from the Board as at 30th June 2022	20,895,576
AIA - Sale of tenders	331,000
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	21,226,576

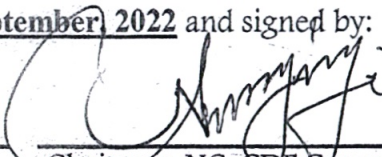
The Constituency financial statements were approved on **15th September, 2022** and signed by:


 Fund Account Manager

Name: Mary Gorretti Wanjala


 National Sub-County
 Accountant

Name: Mildred Barasa
 ICPAK M/No: 15874


 Chairman NG-CDF Committee

Name: Isaac N. Mung'anyi



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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	2021/2022	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,153,028	4,070,537	-	8,223,565	5,520,745	2,702,820
1.2 Committee allowances	1,368,000	-	-	1,368,000	724,060	643,940
1.3 Use of goods and services	2,704,304	1,775,905	278,489	5,538,698	3,836,125	1,702,573
2.0 Monitoring and evaluation						
2.1 Capacity building	1,300,000	245,656	-	1,545,656	1,504,166	41,490
2.2 Committee allowances	1,800,000	1,355,379	-	3,155,379	3,013,105	142,274
2.3 Use of goods and services	1,012,666	428,847	-	1,441,513	630,521	810,992
3.0 Emergency						
3.1 Primary Schools	5,942,207	-	-	5,942,207	5,942,207	-
3.2 Secondary schools	800,000	-	-	800,000	800,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilised Emergency fund	450,000	49,999	-	499,999	-	499,999
4.0 Bursary and Social Security						
4.1 Secondary Schools	28,000,000	14,702,843	-	42,702,843	42,702,843	0
4.2 Tertiary Institutions	16,000,000	12,288,000	-	28,288,000	24,588,490	3,699,510
4.3 Social Security	-	-	-	-	-	-
4.4 Special Institutions	879,296	-	-	879,296	458,124	421,172
5.0 Sports						
5.1 Sports Uniforms and Kits	550,000	991,700	-	1,541,700	1,541,100	600
6.0 Environment						
6.1 Sirende SA Primary School	700,000			700,000	700,000	-
6.2 Makuselwa Primary School	700,000			700,000	700,000	-
6.3 Kakimanyi SDA Primary School	600,000			600,000	600,000	-
6.4 Nabuyole PEFA Primary School	600,000		-	600,000	600,000	-
7.0 Primary Schools Projects (List all the Projects)						
7.01 Froi Sambu SA Primary School	200,000		2,600,000	2,800,000	2,600,000	200,000
7.02 Kakimanyi SDA Primary School	2,800,000		-	2,800,000	2,725,000	75,000

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.03 Katumi CEB Primary School	2,800,000		-	2,800,000	2,760,000	40,000
7.04 Khamoto FYM Primary School	2,800,000		-	2,800,000	2,770,000	30,000
7.05 Lwile Primary School	200,000		2,600,000	2,800,000	2,800,000	-
7.06 Mabele Baptist Primary School	3,200,000		-	3,200,000	3,200,000	-
7.07 Mahanga PEFA Primary School	200,000		2,600,000	2,800,000	2,700,000	100,000
7.08 Makemo RC Primary School	2,400,000		-	2,400,000	2,400,000	-
7.09 Manafwa Primary School	200,000		2,600,000	2,800,000	2,680,000	120,000
7.10 Maraka PEFA Primary School	2,800,000		-	2,800,000	2,775,000	25,000
7.11 Mihuu Primary School	2,200,000		-	2,200,000	1,900,000	300,000
7.12 Misemwa Primary School	2,800,000		-	2,800,000	2,800,000	-
7.13 Murumba RC Primary School	200,000		2,600,000	2,800,000	2,780,000	20,000
7.14 Nabuyole FYM Primary School	200,000		2,600,000	2,800,000	2,800,000	-
7.15 Nzoia RC Primary School	200,000		2,600,000	2,800,000	2,675,000	125,000
7.16 Sinoko FYM Primary School	2,800,000		-	2,800,000	2,705,000	95,000
7.17 Sinoko PCU Primary School	2,400,000		2,600,000	5,000,000	4,980,000	20,000
7.18 Sirende SA Primary School	5,000,000	750,000	500,000	6,250,000	6,250,000	-
7.19 St. Paul's Kibisi Primary School	-		7,300,000	7,300,000	7,300,000	-
7.20 St. Teresa's Special School	2,800,000		-	2,800,000	2,600,000	200,000
7.21 Wabukhonyi FYM Primary School	200,000		2,600,000	2,800,000	2,700,000	100,000
7.22 Webuye ACK Primary School	-	3,320,000	4,014,000	7,334,000	6,974,000	360,000
7.23 Webuye PAG Primary School	200,000		2,600,000	2,800,000	2,705,000	95,000
8.0 Secondary Schools Projects (List all the Projects)						
8.01 Bakisa Girls Secondary School	200,000	2,600,000	4,006,390	6,806,390	6,806,390	-
8.02 Friends Secondary School Magemo	2,052,792	-	-	2,052,792	2,052,792	-
8.03 Friends Secondary School Muji	3,500,000			3,500,000	3,500,000	-
8.04 Friends Secondary School Silungai	300,000		1,000,000	1,300,000	1,300,000	-
8.05 Friends Secondary School Sipala	5,500,000		-	5,500,000	5,200,000	300,000
8.06 Friends Secondary School Wabukhonyi	2,800,000		-	2,800,000	2,775,000	25,000
8.07 Khamoto Secondary School	1,400,000		1,800,000	3,200,000	3,200,000	-
8.08 Lutaicho Secondary School	-		5,980,000	5,980,000	5,980,000	-
8.09 Namarambi Secondary School	1,526,586	2,423,414	3,000,000	6,950,000	6,550,000	400,000
8.10 Ndivisi Boys Secondary School	2,000,000	700,000	-	2,700,000	2,700,000	-

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Blk) and AIA	Previous Years' Outstanding Disbursements			
8.11 Ndivisi Girls High School	-	9,000,001	-	9,000,001	8,200,001	800,000
8.12 Sinoko Secondary School	2,800,000	-	-	2,800,000	2,760,000	40,000
8.13 St. John's Savana Secondary School	2,200,000	-	-	2,200,000	2,200,000	-
8.14 St. Paul's Nzoia RC Secondary School	-	1,200,000	-	1,200,000	1,200,000	-
9.0 Tertiary institutions Projects (List all the Projects)						
9.1						
10.0 Security Projects						
10.1 Wabukhonyi Assistant Chief's Office	3,000,000	-	-	3,000,000	3,000,000	-
10.2 Nzoia Police Post	4,000,000	-	-	4,000,000	-	4,000,000
10.3 Webuye Police Station	-	2,306,201	-	2,306,201	2,306,201	-
10.4 Webuye East DCC's Office	-	950,000	-	950,000	-	950,000
10.5 Webuye East National Treasury	-	160,207	-	160,207	-	160,207
11.0 Acquisition of assets						
11.1 Motor Cycles	400,000	-	-	400,000	-	400,000
11.2 Construction of CDF office	1,250,000	-	-	1,250,000	-	1,250,000
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	780,000	-	-	-	-
12.0 Others						
Funds pending approval** AIA - Sale of tenders		331,000	-	331,000		331,000
Total	137,088,879	60,429,689	53,878,879	251,397,447	230,170,871	21,226,576

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B 104516	-	15,000,000
AIE NO. B 104691	-	19,000,000
AIE NO. A 823745	-	26,577,724
AIE NO. B 124693	-	9,000,000
AIE NO. B 119682	-	8,500,000
AIE NO. B 119721	-	12,000,000
AIE NO. B 128315	-	6,900,000
AIE NO. B 132075	-	6,000,000
AIE NO. B 132368	-	6,000,000
AIE NO. B 126037	-	12,000,000
AIE NO. B 126329	-	7,000,000
AIE NO. B 105124	-	12,600,000
AIE NO. B 140768	-	12,000,000
AIE NO. A 888515	12,088,879	-
AIE NO. A 895082	8,790,000	-
AIE NO. B 105326	33,000,000	-
AIE NO. B 105584	44,000,000	-
AIE NO. B 105959	22,000,000	-
AIE NO. B 128736	5,000,000	-
AIE NO. B 154242	12,000,000	-
AIE NO. B 154460	18,000,000	-
AIE NO. B 155513	24,088,879	-
AIE NO. B 163898	12,000,000	-
TOTAL	190,967,758	152,577,724

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	331,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	14,900
Total	331,000	14,900

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,778,566	1,693,015
Personal allowances paid as part of salary		
House Allowance	-	342,000
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,620,379	-
Employer Contributions Compulsory national social security schemes	121,800	137,280
Total	5,520,745	2,172,295

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	2,800	28,149
Electricity	188,418	-
Water & sewerage charges	35,160	-
Communication, supplies and services	236,000	111,331
Domestic travel and subsistence	1,176,840	205,000
Printing, advertising and information supplies & services	-	174,350
Training expenses	1,094,370	1,659,000
Hospitality supplies and services	430,012	511,000
Other committee expenses	3,746,422	666,000
Committee allowance	724,060	1,448,000
Insurance costs	131,881	-
Specialised materials and services	30,000	-
Office and general supplies and services	432,108	250,000
Fuel , oil & lubricants	200,000	200,000
Other operating expenses	-	100,500
Bank service commission and charges	30,914	39,274
Routine maintenance - vehicles and other transport equipment	442,952	107,700
Routine maintenance- other assets	26,540	270,000
Total	8,928,477	5,770,304

Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	76,579,000	26,269,328
Transfers To Secondary Schools (See Attached List)	54,424,183	22,100,000
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	131,003,183	48,369,328

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	42,702,843	20,667,700
Bursary – tertiary institutions (see attached list)	24,588,490	12,703,000
Bursary – special schools (see attached list)	458,124	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	5,306,201	2,458,646
Sports projects (see attached list)	1,541,100	508,300
Environment projects (see attached list)	2,600,000	-
Emergency projects (see attached list)	6,742,207	7,032,000
Total	83,938,965	43,369,646

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	779,500	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	779,500	-

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
10A: Bank Accounts (Cash Book Bank Balance)		
Kenya Commercial Bank, Webuye Branch . Webuye East NG-CDF. A/C no.1147722935	21,226,576	60,098,689
Total	21,226,576	60,098,689
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
N/A	N/A	-	-	-
N/A	N/A	-	-	-
N/A	N/A	-	-	-
N/A	N/A	-	-	-
Total		-	-	-

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	881,136	-
Gratuity held during the year (B)	739,243	881,136
Gratuity paid during the Year (C)	1,620,379	-
Closing Gratuity as at 30 th June D= A+B-C	-	881,136

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	60,098,689	5,768,750
Cash in hand	-	-
Imprest	-	-
Total	60,098,689	5,768,750

14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-		-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (specify) - Prior years unpresented stale cheques	537,751	-	-
Total	537,751	-	-

** 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 st 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 st 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)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,702,820	4,070,537
Use of goods and services	3,341,269	3,983,140
Amounts due to other Government entities (see attached list)	3,470,000	45,387,414
Amounts due to other grants and other transfers (see attached list)	9,731,488	42,346,300
Acquisition of assets	1,650,000	-
Others (<i>specify</i>)	-	-
Funds pending approval - AIA Sale of tenders	331,000	16,771,290
Total	21,226,576	112,558,681

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	86,602,600	33,574,738
Total	86,602,600	33,574,738

There is a variance in the presentation amount of the PMCs bank balances for last financial year having been **Kshs. 23,273,754** and that presented this year being **Kshs. 33,574,738**

This is due to discovery of more PMC bank accounts that had not been presented by then.

*Webuye East 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	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		2,702,820	4,070,537	To be implemented
Use of goods and services	Committee allowances	643,940		To be implemented
Use of goods and services	Use of goods and services	1,702,573		To be implemented
Use of goods and services	Capacity building	41,490		To be implemented
Use of goods and services	Committee allowances	142,274		To be implemented
Use of goods and services	Use of goods and services	810,992		To be implemented
Use of goods & services		3,341,269	3,983,140	
	Sub-Total	6,044,089	8,053,677	
Amounts due to other Government entities				
Froi Sambu SA Primary School	Construct 2 classrooms	200,000		Savings on activity
Kakimanyi SDA Primary School	Construct 2 classrooms	75,000		Savings on activity
Katumi CEB Primary School	Construct 2 classrooms	40,000		Savings on activity
Khamoto FYM Primary School	Construct 2 classrooms	30,000		Savings on activity
Mahanga PEFA Primary School	Construct 2 classrooms	100,000		Savings on activity
Manafwa Primary School	Construct 2 classrooms	120,000		Savings on activity
Maraka PEFA Primary School	Construct 2 classrooms	25,000		Savings on activity
Mihuu Primary School	Construct 3 classrooms	300,000		Savings on activity
Murumba RC Primary School	Construct 2 classrooms	20,000		Savings on activity
Nzoia RC Primary School	Construct 2 classrooms	125,000		Savings on activity
Sinoko FYM Primary School	Construct 2 classrooms	95,000		Savings on activity
Sinoko PCU Primary School	Construct 2 classrooms	20,000		Savings on activity
St. Teresa's Special School	Construct 2 classrooms	200,000		Savings on activity
Wabukhonyi FYM Primary School	Construct 2 classrooms	100,000		Savings on activity
Webuye PAG Primary School	Construct 2 classrooms	360,000		Savings on activity
Webuye ACK Primary School	Construct 8 classrooms & Adm block	95,000		Savings on activity
Transfers to Primary Schools		1,905,000	30,884,000	
Friends Secondary School Wabukhonyi	Construct 2 classrooms	25,000		Savings on activity
Sinoko Secondary School	Construct 2 classrooms	40,000		Savings on activity

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Friends Secondary School Sipala	Construct dormitory	300,000		Savings on activity
Namarambi Secondary School	Construct twin lab	400,000		Savings on activity
Ndivisi Girls High School	Construct dormitory	800,000		Savings on activity
Transfers to Secondary Schools		1,565,000	14,503,414	
Sub-Total		3,470,000	45,387,414	
Amounts due to other grants and other transfers				
Bursary - Secondary Schools	Payment of fees	0	14,150,192	
Bursary - Tertiary Institutions	Payment of fees	3,699,510	12,288,000	To be implemented
Bursary - Special Institutions	Payment of fees	421,172	-	To be implemented
Bursary projects		4,120,682.03	26,438,192	
Webuye East National Treasury	Shelves for Registry	160,207	-	To be implemented
Webuye East DCC's Office	Furniture	950,000	-	To be implemented
Nzoia Police Post	Construct office	4,000,000	-	To be implemented
Security Projects		5,110,207	-	
Sports Projects	Sports uniforms	600	991,700	
Environment Projects		-	1,250,000	
Emergency Projects	Emergency responses	499,999	13,666,408	
Sub-Total		9,731,488	42,346,300	
Acquisition of assets				
Motor Cycles	Purchase Motor Cycle	400,000		
Construction of CDF office	Renovate office	1,250,000		
Sub-Total		1,650,000	-	
Others (specify)				
Unspecified Banking				
AIA - Sale of tenders		331,000		
Sub-Total		331,000	-	
Funds pending approval		-	16,771,290	
Grand Total		21,226,576	112,558,681	

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	32,150,000	-	-	32,150,000
Transport equipment	8,107,630	-	-	8,107,630
Office equipment, furniture and fittings	1,128,343	-	-	1,128,343
ICT Equipment, Software and Other ICT Assets	156,966	680,000	-	836,966
Other Machinery and Equipment	1,169,257	-	-	1,169,257
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	42,712,196	680,000	-	43,392,196

NB. Please note that there is a variance in the Fixed assets register from the previous years report of a total of Kshs. 40,822,686 to Kshs. 42,712,196 – This was done after actual counting of the assets and reconciliation of the respective purchase prices details found at the NG-CDF Office.

The other machinery and Equipment of Kshs. 1,169,257 that had been written as NIL is the ICT Hub installed at the NG-CDF Office (AJIRA).

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

	PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
1	Assistant Chief's Office lutacho	KCB BANK	1178459144	545,676	622,491
2	Bakisa SA Primary School	KCB BANK	1145876722	213,383	213,383
3	Chief's Office Maraka	KCB BANK	1177833476	2,731	2,731
4	Friends Secondary School Mikuva	KCB BANK	1182218539	485,424	832,810
5	Friends Secondary School Silungai	KCB BANK	1133906893	299,900	1,000
6	Friends Secondary School Sipala	KCB BANK	1109632479	5,812,154	3,011,649
7	Friends Secondary School Wabukhonyi	KCB BANK	1262042674	1,331,158	729,108
8	Froi DEB Primary School	KCB BANK	1145602770	1,166,598	722
9	Holy Family Misikhu Boarding Primary School	KCB BANK	1157539149	500	120
10	Kakimanyi SDA Primary School	KCB BANK	1161724338	1,051,356	75
11	Katumi CEB Primary School	KCB BANK	1285025741	1,245,890	-
12	Khamoto FYM Primary School	KCB BANK	1292406399	899,830	-
13	Khamoto Secondary School	KCB BANK	1290514607	3,198,975	-
14	Lufwindiri Primary School	KCB BANK	1135418578	3,168	3,168
15	Lugulu PAG Primary School	KCB BANK	1136889825	1,618,090	4,825
16	Lugusi FYM Primary School	KCB BANK	1153757478	1,570	1,570
17	Lumuli SDA Primary School	KCB BANK	1145945031	6,884	6,884
18	Lutacho Primary School	KCB BANK	1263940544	17,389	17,389
19	Lutacho Secondary School	KCB BANK	1149823534	1,724,498	37,184
20	Lwile Primary School	KCB BANK	1136915494	341,072	7,766
21	Mabele Baptist Primary School	KCB BANK	1125609753	3,263,173	1,642,685
22	Magemo Friends Secondary School	KCB BANK	1178344983	79,962	79,296
23	Magemo Friends Secondary School	KCB BANK	1183689519	1,692,613	92,739
24	Magemo Friends Secondary School	KCB BANK	1150745770	1,440	1,440
25	Magemo FYM Primary School	KCB BANK	1146088051	789	789
26	Mahanga PEFA Primary School	KCB BANK	1135608903	700,189	1,160
27	Makemo RC Primary School	KCB BANK	1292541091	2,400,000	-
28	Makuselwa FYM Primary School	KCB BANK	1141034980	662,104	1,314
29	Makuselwa Secondary School	KCB BANK	1124093230	877	877

	PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
30	Malomonye Primary School	KCB BANK	1134550561	106,143	108,193
31	Manafwa FYM Primary School	KCB BANK	1291261419	508,290	-
32	Maraka PEFA Primary School	KCB BANK	1292404833	2,686,950	-
33	Masindu Friends Secondary School	KCB BANK	1277044694	1,083,919	1,614,161
34	Masindu Primary School	KCB BANK	1109653018	2,618	2,618
35	Mihuu FYM Primary School	KCB BANK	1134996993	1,185,988	159,741
36	Mihuu Secondary School	KCB BANK	1108078036	93,393	93,393
37	Mikuva Fym Primary School	KCB BANK	1177840677	810	810
38	Minyali SA Primary School	KCB BANK	1133892884	2,005	2,005
39	Misemwa FYM Primary School	KCB BANK	1170973663	278,019	3,329
40	Misemwa Secondary School	KCB BANK	1109695624	338,448	2,028,494
41	Misimo Primary School	KCB BANK	1145921167	201,960	1,960
42	Mitukuyu FYM Primary School	KCB BANK	1164663984	1,397	1,397
43	Muji Primary School	KCB BANK	1270498703	25,972	25,972
44	Mukhuyu Primary School	KCB BANK	1128241986	1,570	1,570
45	Murumba Rc Primary School	KCB BANK	1145474748	1,009,329	8,334
46	Musa Primary School	KCB BANK	1136598618	10,296	10,296
47	Nabuyole FYM Primary School	KCB BANK	1109587759	817,290	89,646
48	Nabuyole PEFA Primary School	KCB BANK	1183093608	607,081	49,333
49	Namarambi Secondary School	KCB BANK	1154555062	2,805,918	4,555,527
50	Namarambi Secondary School	KCB BANK	1121894186	500,951	500,951
51	Ndivisi Boys Secondary School	KCB BANK	1296560015	5,211,401	-
52	Ndivisi Girls High School	KCB BANK	1145377793	5,957,659	2,143
53	Ndivisi Primary School	KCB BANK	1210392216	39,542	39,542
54	Ndivisi FYM Primary School	KCB BANK	1145246397	1,143	1,143
55	Njata DEB Primary School	KCB BANK	1183257503	564,612	402,639
56	Njata Primary School	KCB BANK	1183257554	1,519	1,519
57	Nzoia RC Primary School	KCB BANK	1237018404	1,524	57,650
58	Nzoia RC Primary School	KCB BANK	1290805431	645,218	-
59	Ondoti Primary School	KCB BANK	1110676018	4,321	4,145

	PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
60	Ondoti Primary School	KCB BANK	1183093608	2,264	2,264
61	Sambu Central Primary School	KCB BANK	1157483461	380,989	380,989
62	Sambu PAG Primary School	KCB BANK	1150712694	1,740,339	1,740,339
63	Sambu PAG Marinda Primary School	KCB BANK	1178116662	567,036	567,036
64	Sango DEB Primary School	KCB BANK	1177936461	3,092	3,092
65	Silungai Primary School	KCB BANK	1236968042	737	737
66	Sinoko FYM Primary School	KCB BANK	1290726175	1,342,921	-
67	Sinoko PCU Primary School	KCB BANK	1290494851	913,639	-
68	Sinoko Secondary School	KCB BANK	1145286798	198,864	38,730
69	Sipala FYM Primary School	KCB BANK	1136610626	5,890	6,016
70	Sirende SA Primary School	KCB BANK	1293273880	6,284,155	-
71	St. Cecilia Girls Secondary School	KCB BANK	1176006150	117,102	238,996
72	St. Francis Girls High School Makemo	KCB BANK	1109725620	1,671	1,671
73	St. John's RC Savanna Secondary School	KCB BANK	1208229915	2,214,394	354,147
74	St. John's Savannah Primary School	KCB BANK	1168695473	1,332	1,332
75	St. Mathew's ACK Secondary School	KCB BANK	1132779774	250,935	2,045
76	St. Paul's Kibisi Primary School	KCB BANK	1178268985	268,092	10,292
77	St. Teresa's Special Primary School	KCB BANK	1288208995	688,110	-
78	Wabukhonyi Assistant Chief's Office	KCB BANK	1292247142	1,557,790	-
79	Wabukhonyi FYM Primary School	KCB BANK	1109557078	1,657	1,657
80	Webuye ACK Primary School	KCB BANK	1212036263	16,072,111	9,100,161
81	Webuye KMTC	KCB BANK	1108446736	5,158	5,158
82	Webuye PAG Primary School	KCB BANK	1135435510	521,646	4,818
	TOTAL			86,602,600	33,574,738

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)
4.1	During the audit, it was established that there is a figure of kshs. 14,900 recorded as other receipts in the financial statement. No receipts or support documents were provided. The source of the income cannot be ascertained.	The kshs. 14,900 was a banking reversed by the KCB Bank on 2nd February, 2021. The money having been a receipt in the particular year under review, had to be declared. Attached is a copy of the bank statement extract on the same marked (1a).	Resolved	
4.2	i. Prior year adjustment of Kshs 537,751 indicated in the statement of assets and liabilities was unexplained.	The prior year adjustment of Kshs. 537,751 was as a result of expired cheques which were for the past years and had to be reversed and received back into the cash book as per attached list marked (1C).	Resolved	
4.3	Examination of project files and physical verification revealed that three projects at Malomonye and Muji Primary Schools (Completion of 3 classrooms) and Sambu PAG Primary School – Completion of 6 classrooms storey block; had been implemented to completion. However, no Completion Certificates from the County Works Office were availed as prove of the projects having been implemented to the required standards and specifications in the Bills of Quantities (BQs).	The completion certificates for the three schools are attached and marked 4.3.1	Resolved	
4.4	Poor workmanship on projects a. Mabele Baptist Primary School b. Malomonye Primary School	The incidence of poor workmanship has led us to budget for the terrazzo floor finish in the 2021/2022 financial year and increased supervision from all. An	Not resolved	Projects for 2021/2022 financial year expected to have an improved finish with effect from

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)
		extract of the code list attached and marked 4.4.1		July, 2022
4.8	Included in the statement of receipts and payments is a figure of Kshs 5,770,304 incurred on use of Goods and services. Note 5 in the financial statement gives a breakdown on the individual expenditure incurred adding up to the same. However, the schedules provided for audit verification could not support the individual classification of votes heads and payments made towards the use of goods and services as reported in the financial statement. Additionally, the schedules provided added up to Kshs. 5,731,030 leading to unexplained variance of Kshs. 39,274.	The bank charges payment vouchers amounting to Kshs. 39,274 are attached and marked (1G). On the variance in amount on the financial statements against the actual payment vouchers, please note that the amount on the financial statements was based on the actual payments made during the financial year in question.	Resolved Not resolved	30/09/2022 By NSCA
	Payments amounting to Kshs 2,279,000 were made towards Webuye East NGCDF Committee allowances under use of goods and services. However, there were no committee minutes attached to support these payments as shown below. Other payment schedules were not dated or did not have the particular activity stated.	The situation above though regrettable, we are currently not able to give answer as the required support documents are not available.	Not resolved	N/A

Mary Gorretti Wanjala

Name: Mary Gorretti Wanjala
Fund Account Manager.

