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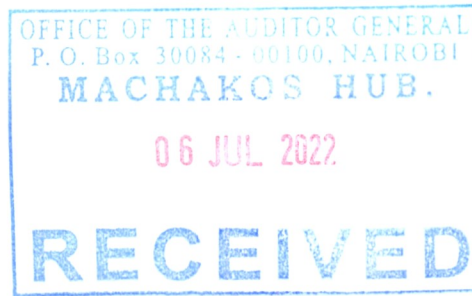
OF

THE AUDITOR-GENERAL

ON

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

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



MAKUENI CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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

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

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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 Makueni 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 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Daniel Maluki
2.	Sub-County Accountant	Julius Muchohi
3.	Chairman NGCDFC	Titus Munuve
4.	Member NGCDFC	Esther Nzula

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Makueni Constituency NG-CDF . The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action.

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Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) Makueni Constituency NGCDF Headquarters

P.O. Box 409-90300
Makueni
NG-CDF office Wote
Behind Huduma Centre

Makueni Constituency NGCDF Contacts

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Website: www.makueningcdf.go.ke

(f) Makueni Constituency NGCDF Bankers

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Tel: 020259465
Mobile: 0732 520 845, 0708223372
Wote, Makueni
Email: wotebr@co-opbank.co.ke

(g) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
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GPO 00100
Nairobi, Kenya

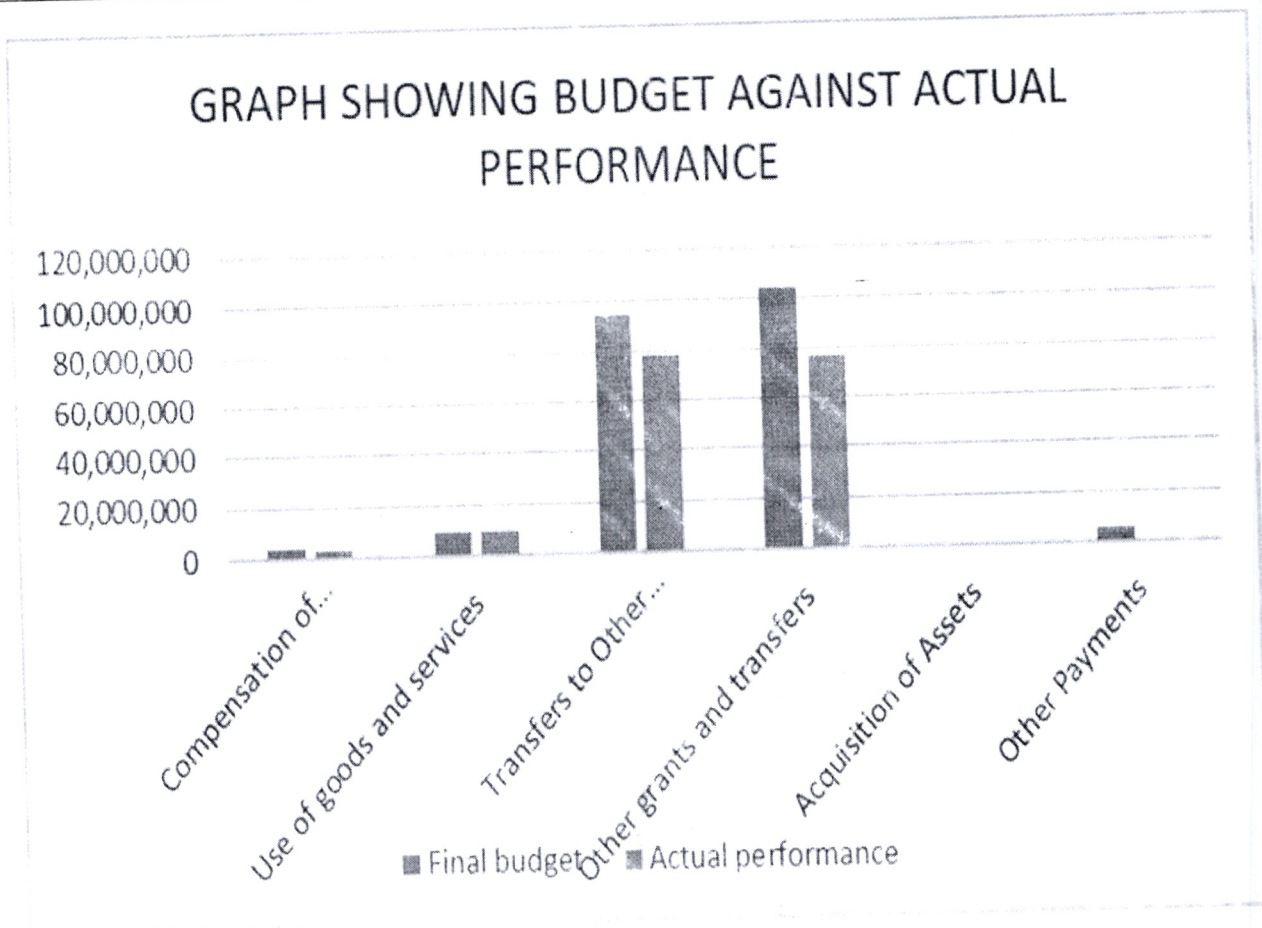
(h) Principal Legal Adviser

The Attorney General
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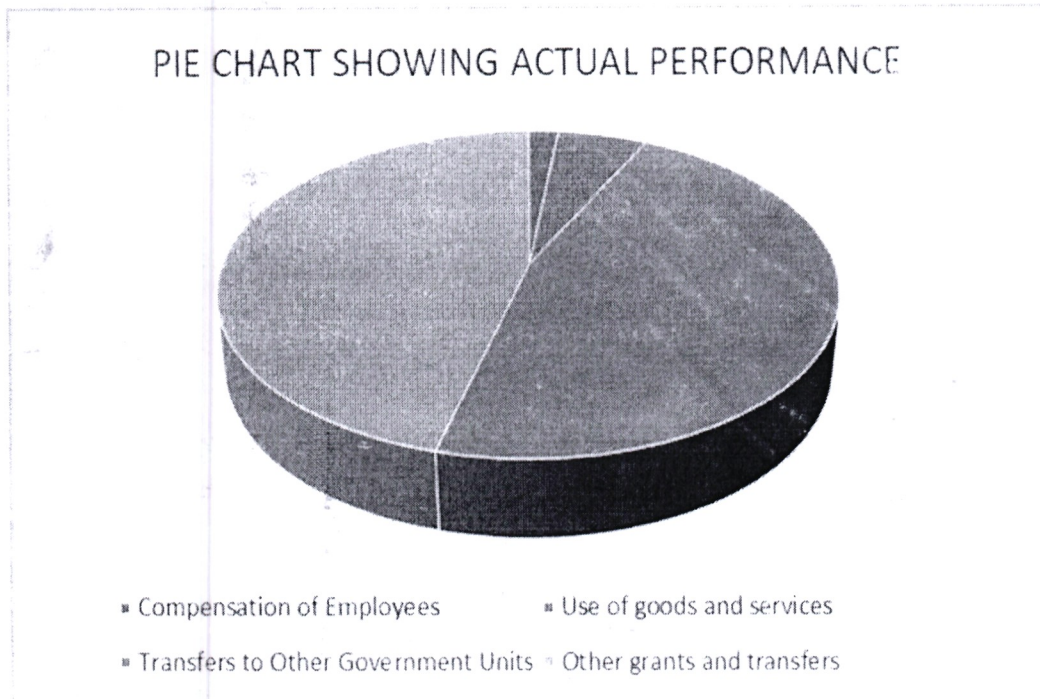
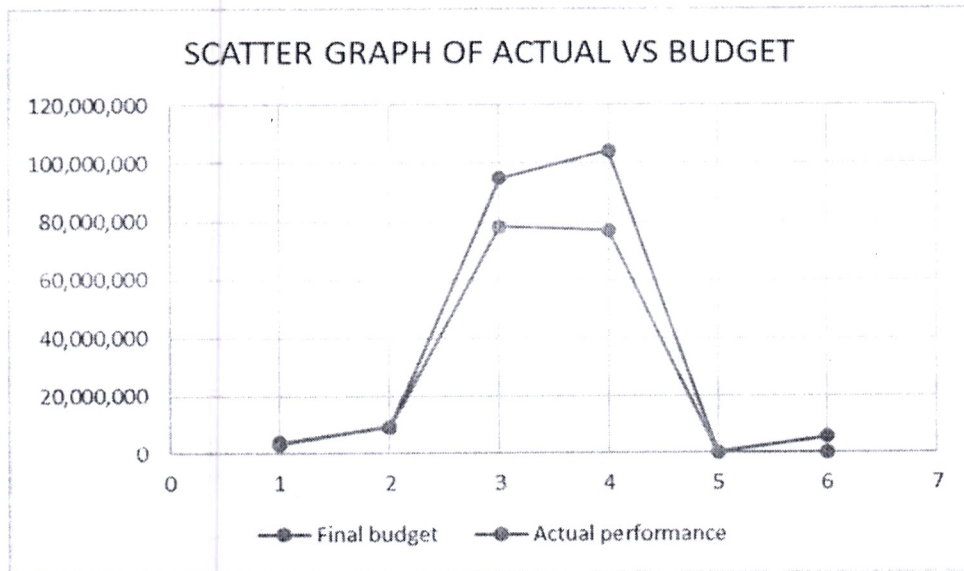
II. NG-CDFC CHAIRMAN'S REPORT

Makueni NG-CDF has had a significant improvement in utilization of funds received from the board despite the covid-19 pandemic drawbacks. We have improved overall absorption of funds from 61% last year to about 74.9% this year. There is also an improvement in the funds absorption in all the various project sectors as shown below.

Expense Item	Final budget	Actual performance	%
Compensation of Employees	3,737,757	3,138,291	84.0%
Use of goods and services	9,293,399	9,293,399	100.0%
Transfers to Other Government Units	99,210,473	78,125,000	78.7%
Other grants and transfers	104,180,436	76,790,011	73.7%
Acquisition of Assets	1,369,183	-	0.0%
Other Payments	5,577,027	-	0.0%
	223,368,275	167,346,701	74.9%



**Makueni Constituency
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TITUS K MUNUVE (NG-CDF CHAIRMAN)



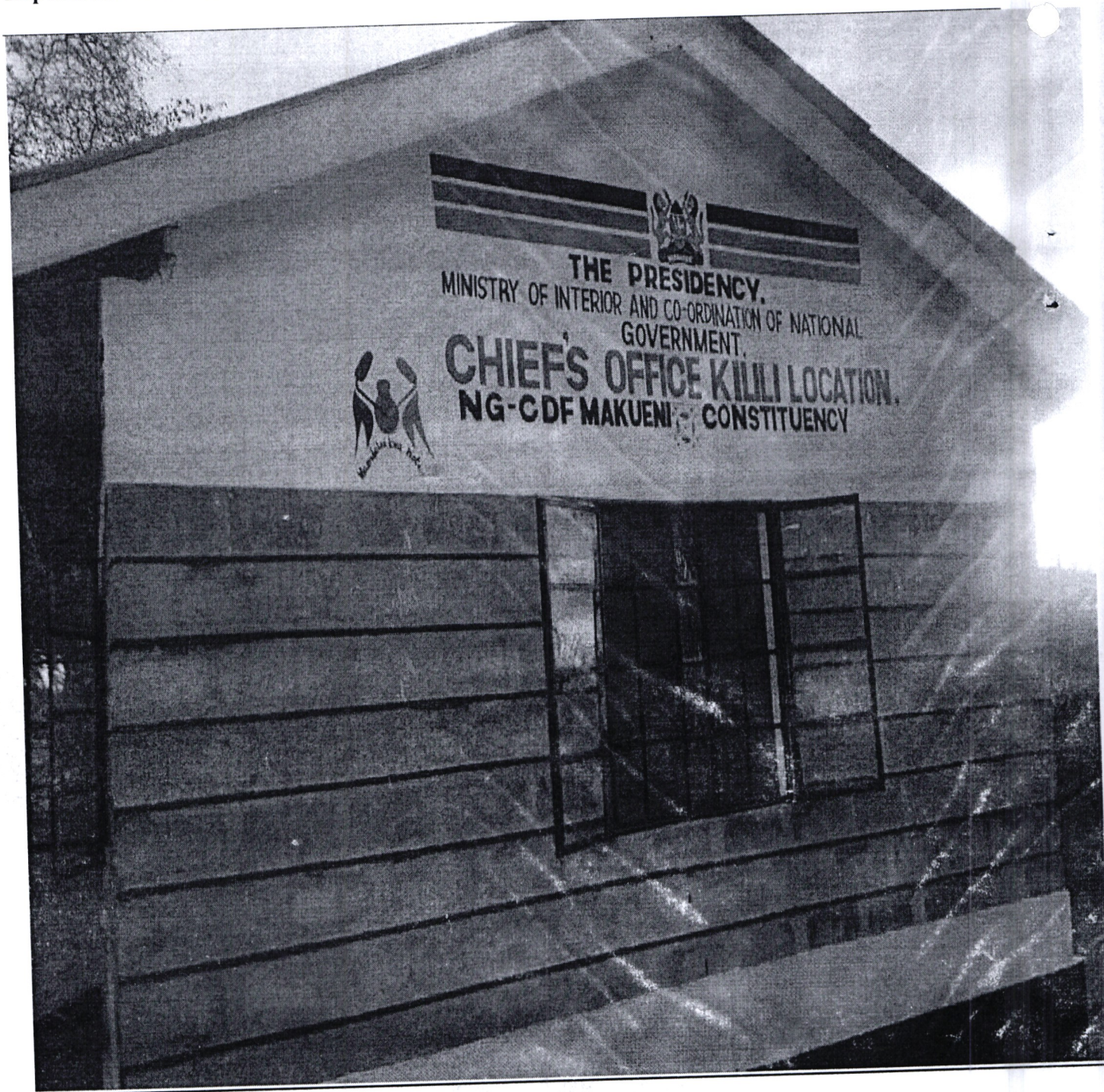
KEY ACHIEVEMENTS FOR THE CONSTITUENCY

Makueni NG-CDF is working round the clock to ensure successful implementation of projects ranging from education for schools to security. This has facilitated better learning, boosted administration and enabled security within the constituency.

Below are samples of a wide range of projects completed by the constituency during the financial year 2020/2021:

**Makueni Constituency
National Government Constituency Development Fund (NGCDF)
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EMERGING ISSUES RELATED TO MAKUENI NG-CDF

1. The rapidly increasing population in the constituency demanding for more expenditure on projects eg more classrooms
2. Declining sources of income for constituents leading to needier students for bursary
3. Increasing emergency cases due to heavy rainfall and frequent wind storms
4. The rapid rate of inflation. This leads to more expenditure on projects than previously projected
5. Influx of the Covid-19 pandemic

IMPLEMENTATION CHALLENGES

1. The Covid-19 pandemic which has paralyzed most of the development project implementation and particularly affected the degree of interaction of the NG-CDFC, staff and constituents. In this regard the constituency is strictly adhering to the ministry of health directives of social distancing, hand washing and wearing of face masks at all times.
2. Lack of knowledge on the part of PMCs on procurement procedures and guidelines. Makueni NG-CDF is conducting frequent PMC training in all the wards to enhance skills for the PMCs.
3. Inadequate funds for emergency projects. Most emergency cases are left unfunded because the available funds are not sufficient to meet the increasing emergency cases due to heavy rainfall and frequent wind storms. The constituency usually seeks support from other government and non-governmental entities to fund all or some of the emergency cases not factored by Makueni NG-CDF.
4. Project identification and implementation especially where members of the public aren't willing to participate. The NG-CDFC are doing their best to sensitize the constituents on the need to attend public participation forums
5. Poor infrastructure- roads, electricity and communication to facilitate implementation
6. High population and growth rate
7. High poverty levels increasing the number of needy constituents
8. Environmental degradation and improper exploitation of natural resources issues

Signature



CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

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

- To provide integrated planning framework for sustainable management of resources.
- To create and coordinate partnerships and collaboration for resources mobilization, capacity development
- To purpose to have all departments functioning in synergy for timely completion of 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	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms increased from 77 to 98 Number of laboratories increased from 17 to 22 Number of dormitories increased from 25 to 30 Number of administration blocks increased from 14 to 16

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Environment	Conserved environment through natural resources conservation initiatives	Environment conservation Equip schools and public facilities with sanitation	Number of sand dams	Number of sand dams increased from 5 to 11
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of renovated chiefs' offices increased from 8 to 10 Number of as assistant chiefs' offices increased from 5 to 7
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 20 to 21
Emergency	Responded to emergency cases as they were reported by various institutions	Restore structures destroyed by natural calamities like wind and floods	Number of structures renovated through emergency	Number of structures increased from 23 to 35

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Makueni 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; 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, 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Makueni NG-CDF promoted environment conservation by:

- Constructing culverts and gabions to prevent soil erosion
- Encouraging tree planting in the constituency to improve the forest cover.
- Conducting training of PMCs and the public on matters relating to disposal of waste

3. Employee welfare

We invest in providing the best working environment for our employees. Makueni constituency recruitment is guided by Employment Act, NG-CDF 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. Makueni 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-

Makueni NG-CDF 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.

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 interests

5. Community Engagements-

Makueni 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.

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

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 NG-CDF-Makueni Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF-Makueni Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer in charge of the NG-CDF-Makueni Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NG-CDF Makueni 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-Makueni Constituency financial statements were approved and signed by the Accounting Officer on June 30, 2021.


Chairman NGCDF Committee

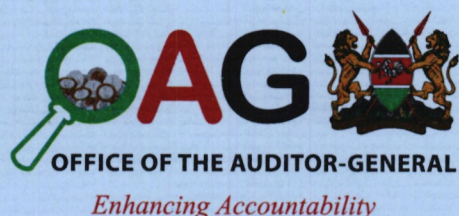
Name: 


Fund Account Manager

Name: Daniel Maluki

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MAKUENI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, 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 - Makueni Constituency set out on pages 18 to 63, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Makueni Constituency as at 30 June, 2021, 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. Lack of Motor Vehicle Log Book

Annex 4 to the financial statements on summary of fixed asset register reflects an amount of Kshs.10,882,833 in respect to total historical cost of assets which includes Kshs.8,345,250 for transport equipment which further includes of Kshs.4,842,600 for a motor vehicle. However, as previously reported, the logbook for the motor vehicle has not been provided for audit review.

In the circumstances, the ownership of the motor vehicle costing Kshs. 4,842,600 could not be confirmed.

2. Inaccuracy in the Budget Execution by Sectors and Projects

Budget execution by sectors and projects reflects total actual expenditure of Kshs.67,346,701. However, the statement of receipts and payments and the summary statement of appropriation reflects an amount of Kshs.167,346,701 for same item resulting to an unreconciled variance of Kshs.100,000,000.

In the circumstances, the accuracy of the budget execution by sectors and projects amounting to Kshs. 67,346,701 could not be confirmed.

3. Inaccuracy in the Fund Balances

Disclosure Note 17.3 to the financial statements and as detailed in Annex 3 reflects a comparative opening balance of Kshs.86,279,396 on unutilized fund. However, the comparative closing balance was Kshs.80,635,682 resulting to an unreconciled variance of Kshs.5,643,714.

In the circumstances, the accuracy of the comparative opening balance of Kshs.86,279,396 on unutilized fund could not be confirmed.

4. Unsupported Transfers to Other Government Units

The statement of receipts and payments and as disclosed in Note 6 reflects transfer to other Government units amount of Kshs. 78,125,000 which includes an amount of Kshs.12,900,000 disbursed to fourteen (14) projects for learning institutions. However, review of records revealed that supporting documents such as bill of quantities,

professional opinion, tender evaluation minutes, notification of unsuccessful bidders, completion certificates were not provided for audit review. This is contrary to provisions of the Public Procurement and Asset Disposal Act, 2015.

Further, included in this amount is Kshs. 1,800,000 and Kshs. 700,000 to St. Theresa Secondary School and Ngutwa Primary School respectively both totaling Kshs.2,500,000. However, the expenditure returns for the two (2) projects were not provided for audit review.

In the circumstances, the accuracy and completeness of expenditure of Kshs 15,400,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Makueni 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 final receipts budget and actual amount on comparable basis of Kshs.223,368,275 and Kshs.182,179,396 respectively resulting to an under-funding of Kshs.41,188,879 or 18% of the budget. Similarly, the statement reflects a final expenditure budget amount of Kshs.223,368,275 against actual expenditure of Kshs.167,346,701 resulting in an under expenditure of Kshs.56,021,574 or 25% of the budget.

The underfunding and under expenditure may have negatively impacted 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

Irregularities in Implementation of Projects

The statement of receipts and payments reflects other grants and transfers of Kshs.76,790,011 which includes an amount of Kshs 3,103,747 disbursed to four (4) projects. However, physical verification on projects carried out in April, 2022 revealed that two (2) classrooms had been renovated instead of three (3) in Munathi Primary School, one (1) classroom completed instead of two (2) for Muthyoi Secondary School, Ivinganzia Assistant Chief Office was labelled and Makueni Police Station office was completed but not in use.

In the circumstances, the value for money from the projects' expenditure of Kshs.3,103,747 could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy and a Disaster Recovery Plan

The Fund operated without a Risk Management Policy Framework for guidance in identification, assessment and mitigation of risks during the year under review. This is contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which outlines the role and responsibilities of Accounting Officers in respect to risk management. Further, the Fund did not have in place a Disaster Recovery and Business Continuity Plan.

In the circumstances, it was not possible to confirm the effectiveness of the Fund's risk management and recovery strategies in case of disaster.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

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

- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

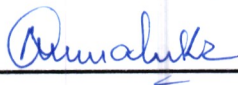
06 September, 2022

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

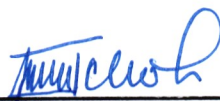
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	170,911,438	127,540,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		170,911,438	127,540,876
PAYMENTS			
Compensation of employees	4	3,138,291	3,056,150
Use of goods and services	5	9,293,399	14,915,181
Transfers to Other Government Units	6	78,125,000	58,500,000
Other grants and transfers	7	76,790,011	44,779,886
Acquisition of Assets	8	-	5,016,531
Other Payments	9	-	-
TOTAL PAYMENTS		167,346,701	126,267,748
SURPLUS/DEFICIT		3,564,737	1,273,128

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NG-CDF-Makueni Constituency financial statements were approved on June 30, 2021 and signed by:



Fund Account Manager
Name: Daniel Maluki



**National Sub-County
Accountant**
Name: Julius G. Muetto
ICPAK M/No: 7897



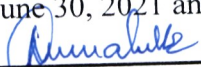
Chairman NG-CDF Committee

Name: Titus K. Mwanve

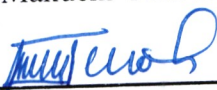
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	15,608,695	11,267,958
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		15,608,695	11,267,958
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		15,608,695	11,267,958
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		15,608,695	11,267,958
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	11,267,958	9,994,831
Prior year adjustments	14	776,000	
Surplus/Defict for the year		3,564,737	1,273,128
NET FINANCIAL POSITION		15,608,695	11,267,958

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Makueni Constituency financial statements were approved on June 30, 2021 and signed by:



Fund Account Manager
Name: Daniel Maluki



National Sub-County
Accountant
Name: Julius G. Muchoth
ICPAK M/No: 7897



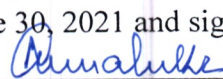
Chairman NG-CDF Committee

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

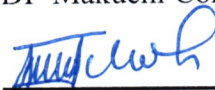
IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	170,911,438	127,540,876
Other Receipts	3	-	-
		170,911,438	127,540,876
Payments for operating activities			
Compensation of Employees	4	3,138,291	3,056,150
Use of goods and services	5	9,293,399	14,915,181
Transfers to Other Government Units	6	78,125,000	58,500,000
Other grants and transfers	7	76,790,011	44,779,886
Other Payments	9	-	-
		167,346,701	121,251,217
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	776,000	-
Net Adjustments		776,000	-
Net cash flow from operating activities		4,340,737	6,289,659
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(5,016,531)
Net cash flows from Investing Activities		-	(5,016,531)
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	10	11,267,958	9,994,831
Cash and cash equivalent at END of the year		15,608,695	11,267,958

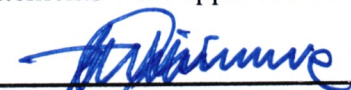
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Makueni Constituency financial statements were approved on June 30, 2021 and signed by:



Fund Account Manager
Name: Daniel Maluki



National Sub-County
Accountant
Name: Julius G. Muettohi
ICPAK M/No: 7897



Chairman NG-CDF Committee
Name: Titus K. Munuve

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

X. SUMMARY STATEMENT OF APPROPRIATION

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 %
RECEIPTS		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	75,011,438	223,368,275	182,179,396	41,188,879	81.6%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL RECEIPTS	137,088,879	75,011,438	223,368,275	182,179,396	41,188,879	81.6%
PAYMENTS						
Compensation of Employees	3,044,600	693,157	3,737,757	3,138,291	599,466	84.0%
Use of goods and services	9,293,399	-	9,293,399	9,293,399	-	100.0%
Transfers to Other Government Units	56,106,898	-	99,210,473	78,125,000	21,085,473	78.7%
Other grants and transfers	67,593,982	4,678,591	104,180,436	76,790,011	27,390,425	73.7%
Acquisition of Assets	150,000	1,219,183	1,369,183	-	1,369,183	0.0%
Other Payments	900,000	4,677,027	5,577,027	-	5,577,027	0.0%
Funds pending approval	-	-	-	-	-	-
TOTAL	137,088,879	11,267,958	223,368,275	167,346,701	56,021,574	74.9%

**Unutilized funds for last FY have been adjusted further to capture funds for 2013/14, 2015/16 & 2016/17 received in 2020/21

**Prior year adjustments of Ksh. 776,000 have been captured in the reconciliation below to arrive at the cash and cash equivalent at the end of the year

Makueni Constituency,
National Government Constituency Development Fund (NGCDF)
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(a) Commentary on underutilization

- i. *Compensation of employees: The entity engaged fewer employees than it had projected*
- ii. *Transfer to other government units: Due to the effect of Covid-19 that restricted various activities & movement.*
- iii. *Other grants and transfers Due to the effect of Covid-19 that restricted various activities & movement.*
(Changes between the original and final budget are as a result of reallocations within the budget)

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	56,021,574
Less undisbursed funds receivable from the Board as at 30th June 2021	41,188,879
Add Accounts payable	14,832,695
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	776,000
Cash and Cash Equivalents at the end of the FY 2020/21	15,608,695

The NGCDF-Makueni Constituency financial statements were approved on June 30, 2021 and signed by:



Fund Account Manager
Name: **Daniel Maluki**



National Sub-County Accountant

Name: **Julius G. Muctohy**
ICPAK M/No: **7897**



Chairman NG-CDF Committee

Name: **Tinas K. Munnave**

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,044,600	693,157	-	3,737,757	3,138,291	599,466	
1.2 Committee allowances	1,200,000	-	-	1,200,000	1,517,000	(317,000)	126
1.3 Use of goods and services	3,980,733	-	-	3,980,733	3,500,100	480,633	88
Total	8,225,333	693,157	-	8,918,490	8,155,391	763,099	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,800,000	-	-	1,800,000	2,672,000	(872,000)	148
2.2 Committee allowances	1,200,000	-	-	1,200,000	1,197,000	3,000	100
2.3 Use of goods and services	1,112,666	-	-	1,112,666	407,299	705,367	37
Total	4,112,666	-	-	4,112,666	4,276,299	(163,633)	
3.0 Emergency							
3.1 Primary Schools							

**Makueni Constituency,
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Kwa kilomo pri sch	-	-	-	-	-	800,000	-	-
Mangauni Pri School	-	-	-	-	-	500,000	-	-
Kasambani pri school	-	-	-	-	-	150,000	-	-
mumbeeni pri school	-	-	-	-	-	300,000	-	-
kalaani pri sch	-	-	-	-	-	600,000	-	-
Kalini primary school	-	-	-	-	-	200,000	-	-
3.2 Secondary schools	-	-	-	-	-	-	-	-
Makueni girls sec	-	-	-	-	-	300,000	-	-
3.3 Tertiary institutions	-	-	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-	-	-
Kithumani police	-	-	-	-	-	200,000	-	-
Kilili chiefs office	-	-	-	-	-	800,000	-	-
Acc Office Wote	-	-	-	-	-	300,000	-	-
Chiefs Office Muvau	-	-	-	-	-	300,000	-	-
Kwa kithokoi sand dam	-	-	-	-	-	240,000	-	-
3.5 Unutilised	-	5,206,200	5,206,200	-	5,206,200	-	-	-
Total	7,192,207	-	5,206,200	5,206,200	12,398,407	4,690,000	7,708,407	-
4.0 Bursary and Social Security		9,790,220						
4.1 Secondary Schools	24,000,000	4,678,591	11,444,247	40,122,838	34,342,048	5,780,790	86	
4.2 Tertiary Institutions	10,031,220	5,768,613	15,799,833	14,221,949	1,577,884	90		

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

4.3 Social Security	13,146,000				13,146,000	9,915,390	3,230,610	
4.4 Special Needs	241,000				241,000	241,000		
Total	47,418,220	4,678,591	17,212,860		69,309,671	58,720,387	10,589,284	
5.0 Sports								49
5.1	2,741,778		2,911,379		5,653,157	2,782,200	2,870,957	
Total	2,741,778	-	2,911,379		5,653,157	2,782,200		
6.0 Environment								100%
Kwa Kyangu Sand dam	685,000	-	-		685,000	685,000	-	100%
Kwa Musyoka Makongo Sand Dam	350,000	-	-		350,000	350,000	-	100%
Kimavia Sand Dam	185,000	-	-		185,000	185,000	-	100%
Mavoo Sand Dam	500,000	-	-		500,000	500,000	340,000	0%
Kal'ai Gully Project	340,000	-	-		340,000		681,778	0%
Mtusini Kwa Charity Sand Dam	681,778	-	-		681,778		-	100%
Kwa mwongela gabion		-	636,838		636,838	636,838	-	100%
Kwa Ndolo sand dam-Matithini		-	636,839		636,839	636,839	1,021,778	75%
Total	2,741,778	-	1,273,677		4,015,455	2,993,677		
7.0 Primary Schools Projects								100%
AIC Mandoi Day & Boarding Primary School	500,000				500,000	500,000	-	100%
Athiani Primary School	600,000				600,000	600,000	706,898	0%
Athiani Primary School	706,898				706,898			

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

Ikangavya Primary School			500,000	500,000	500,000	500,000	500,000	0%
Isambani Primary School	500,000			500,000	500,000	500,000	-	100%
Isambani Primary School			500,000	500,000	500,000	500,000	500,000	0%
Itaa Primary School			600,000	600,000	600,000	600,000	-	100%
Itandi Primary School	400,000			400,000	400,000	400,000	-	100%
Itandi Primary School			800,000	800,000	800,000	800,000	800,000	0%
Kaasya Primary School	500,000			500,000	500,000	500,000	-	100%
Kalamba Primary School			800,000	800,000	800,000	800,000	-	100%
Kalembwani Primary School	600,000			600,000	600,000	600,000	-	100%
Kantheitu Primary School			500,000	500,000	500,000	500,000	-	100%
Kanthuuni Primary School			1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
Kanyonga Primary School	700,000			700,000	700,000	700,000	700,000	0%
Katangini Primary School	500,000			500,000	500,000	500,000	-	100%
Kateiko Primary School			500,000	500,000	500,000	500,000	-	100%
Katheka Primary School			900,000	900,000	900,000	900,000	-	100%
Kathonzweni HGM Primary School	700,000			700,000	700,000	700,000	-	100%
Kathuma Primary School	500,000			500,000	500,000	500,000	500,000	0%
kavingoni pri sch				-	900,000	900,000	(900,000)	
Kiatine Primary School			800,000	800,000	800,000	800,000	-	100%

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

Kikome Primary School	600,000			600,000	600,000	-	100%
Kiteei Primary School	800,000			800,000	800,000	-	100%
Kithaayoni Primary School	700,000			700,000	700,000	-	100%
Kitheini Primary School			1,000,000	1,000,000	1,000,000	-	100%
Kithumani Primary School	600,000			600,000	600,000	-	100%
Kithumba Primary School	500,000			500,000	500,000	500,000	0%
Kituluni Primary School	500,000			500,000	500,000	500,000	0%
Kiumoni Primary School	500,000			500,000	500,000	-	100%
Kiunduani Primary School	600,000			600,000	600,000	-	100%
Kivandini Primary School	1,000,000			1,000,000	1,000,000	-	100%
Kwa Arun Primary School			500,000	500,000	500,000	-	100%
Kwa Nzula Primary School			1,000,000	1,000,000	1,000,000	-	100%
Kwamaluvyu Primary School	500,000			500,000	500,000	-	100%
Kwanyaa Primary School	600,000			600,000	600,000	-	100%
Kyangwasi Primary School	500,000			500,000	500,000	-	100%
Kyangwasi Primary School			500,000	500,000	500,000	-	100%
Kyase Primary School			600,000	600,000	600,000	-	100%
Kyemole Primary School	500,000			500,000	500,000	500,000	0%

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

Kyemundu Primary School	500,000				500,000	500,000	-	100%
Kyunyuy Primary School	500,000				500,000	500,000	-	100%
Maaui Eli Primary School	500,000				500,000	500,000	-	100%
Makutano Primary School	600,000				600,000	600,000	-	100%
Malooi Primary School	800,000				800,000	800,000	-	100%
Mamuu Primary School				500,000	500,000	500,000	-	100%
Mangauni Primary School	700,000				700,000	700,000	-	100%
Manzani Primary School	500,000				500,000	500,000	-	100%
Matiliku Primary School	800,000				800,000	800,000	800,000	0%
Matulani Primary School	500,000				500,000	500,000	-	100%
Maumba Primary School				800,000	800,000	800,000	-	100%
Maviaume Primary School	500,000				500,000	500,000	-	100%
Mavindini Primary School				800,000	800,000	800,000	-	100%
Mayuu Primary School	600,000				600,000	600,000	600,000	0%
Mbeletu Primary School	500,000				500,000	500,000	-	100%
Mbuthani Primary School	900,000				900,000	900,000	-	100%
Mbuvo Nzau Primary School	500,000				500,000	500,000	-	100%
Mikauni Primary School				500,000	500,000	500,000	500,000	0%
Muambani pri				500,000	500,000	500,000	-	

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

Muambwani Primary School	700,000			700,000	700,000	-	100%
Muangenii Primary School	500,000			500,000	500,000	500,000	0%
Mukamemi Primary School	700,000			700,000	700,000	-	100%
Munathi Primary School		700,000		700,000	700,000	-	100%
Muthyoi Primary School		300,000		300,000	300,000	-	100%
Muthyoi Primary School	600,000			600,000	600,000	-	100%
Muvau Primary School	500,000			500,000	500,000	500,000	0%
Mwania Primary School	500,000			500,000	500,000	-	100%
Ngomeni Primary School		500,000		500,000	500,000	-	100%
Ngosini Primary School	600,000			600,000	600,000	-	100%
Ngunu Primary School	500,000			500,000	500,000	-	100%
Ngutwa Primary School			700,000	700,000	700,000	-	100%
Nithangu Primary School			800,000	800,000	800,000	-	100%
Nzeveni Primary School	500,000			500,000	500,000	-	100%
Nziu Primary School			500,000	500,000	500,000	500,000	0%
Nzouni Primary School	500,000			500,000	500,000	-	100%
Nzueni Primary School			600,000	600,000	600,000	-	100%
Sia Primary School	500,000			500,000	500,000	500,000	0%
St John Malivani Primary School	500,000			500,000	500,000	-	100%

**Makueni Constituency
National Government Constituency Development Fund (NGCDF)
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Syandoo Primary School	500,000				500,000	500,000	-	100%
Muvau Primary School		178,575		178,575	178,575	178,575	178,575	0%
Syethe Primary School	500,000			500,000	500,000	500,000	500,000	0%
Syatu Primary School		625,000		625,000	625,000	625,000	-	100%
Ukokolani Primary School	1,000,000			1,000,000	1,000,000	1,000,000	100,000	0%
Ungatani Primary School		100,000		100,000	100,000	1,000,000	-	100%
Unoa Primary School		1,000,000		1,000,000	1,000,000	1,000,000	-	100%
Vulueni Primary School	700,000			700,000	700,000	700,000	-	100%
Waimu Primary School	500,000			500,000	500,000	500,000	-	100%
Wee Primary School	500,000			500,000	500,000	500,000	500,000	0%
Wee Primary School		400,000		400,000	400,000	400,000	-	100%
Yemulwa primary School	500,000			500,000	500,000	500,000	-	100%
Yikitise Primary School		1,000,000		1,000,000	1,000,000	1,000,000	-	100%
Yumbani Primary School	700,000			700,000	700,000	700,000	-	100%
Total	4,006,898	-	21,003,575	55,010,473	4,525,000	10,485,473		
8.0 Secondary Schools Projects								
ABC Kalumbi Secondary School	2,100,000			2,100,000	2,100,000	2,100,000	2,100,000	0%
AIC Mavindini Girls Secondary School		1,000,000		1,000,000	1,000,000	1,000,000	-	100%
AIC Muthyo Secondary School		800,000		800,000	800,000	800,000	-	100%

**Makueni Constituency
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Iiani Secondary School	500,000			500,000	500,000	500,000	500,000	0%
Iiani Secondary School			500,000	500,000	500,000	500,000	-	100%
Ithumbule Secondary School	500,000			500,000	500,000	500,000	500,000	0%
Kambi Mawe Secondary School	1,000,000			1,000,000	1,000,000	1,000,000	1,000,000	0%
Kanthiitu Secondary School	600,000			600,000	600,000	600,000	-	100%
katithi sec sch			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Katithi Secondary School	1,500,000			1,500,000	1,500,000	1,500,000	-	100%
Kavingoni Secondary School	800,000			800,000	800,000	800,000	-	100%
Kawala Secondary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Kilili Secondary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Kithoni Secondary School	500,000			500,000	500,000	500,000	-	100%
Kithoni Secondary School			1,600,000	1,600,000	1,600,000	1,600,000	-	100%
Kithumba Secondary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Kitise Secondary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Kiuuku Secondary School	800,000			800,000	800,000	800,000	800,000	0%
kyumbuni sec sch			500,000	500,000	500,000	500,000	-	100%
Kyunyu Secondary School			800,000	800,000	800,000	800,000	800,000	0%

**Makueni Constituency
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Makueni Boys Secondary School	1,000,000				1,000,000	1,000,000	1,000,000	-	100%
Makueni Girls Secondary School	1,000,000				1,000,000	1,000,000	1,000,000	1,000,000	0%
Mandoi Secondary School				2,000,000	2,000,000	2,000,000	2,000,000	-	100%
Matheani Secondary School	500,000				500,000	500,000	500,000	-	100%
Mathemba Secondary School	600,000				600,000	600,000	600,000	600,000	0%
Mbeletu Secondary School				1,400,000	1,400,000	1,400,000	1,400,000	-	100%
Mbuvo Secondary School				700,000	700,000	700,000	700,000	-	100%
Muambani Secondary School	300,000				300,000	300,000	300,000	-	100%
Mukameni boys sec				1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Munathi Secondary School				700,000	700,000	700,000	700,000	-	100%
Munyuni Secondary School	500,000				500,000	500,000	500,000	-	100%
Musiini Secondary School				1,000,000	1,000,000	1,000,000	1,000,000	-	100%
Muthwani Secondary School				800,000	800,000	800,000	800,000	-	100%
Mutulani Secondary School	500,000				500,000	500,000	500,000	-	100%
Mwaani Girls Secondary School	600,000				600,000	600,000	600,000	-	100%
Ngosini Secondary School	2,000,000				2,000,000	2,000,000	2,000,000	2,000,000	0%
Nziu Girls Secondary School	900,000				900,000	900,000	900,000	900,000	0%

**Makueni Constituency
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Serena Williams Wee Secondary School	2,000,000			2,000,000	2,000,000		100%
St Josephs Kitumbai Secondary School	700,000			700,000	700,000		100%
St Marys sec sch Ndovea		800,000		800,000	800,000		100%
St Theresa Secondary School-Muuani	1,800,000			1,800,000	1,800,000		100%
St.Jude Girls Secondary School		500,000		500,000	500,000		100%
St.Marys Ndovea Secondary School		1,000,000		1,000,000	1,000,000		100%
Ujimi Secondary School	1,000,000			1,000,000	1,000,000		100%
Total	21,700,000	20,100,000	-	41,800,000	31,600,000	10,200,000	76%
9.0 Tertiary institutions Projects							
Makueni KMTC	400,000			400,000		400,000	0%
Makueni KMTC				2,000,000	2,000,000		
Total	400,000	2,000,000	-	2,400,000	2,000,000	400,000	
10.0 Security Projects							
Assistant Chief's Office Thavu		500,000		500,000	500,000		100%
Barazani Chiefs Office	300,000			300,000		300,000	0%
Ivinganzia Assistant Chiefs Office	500,000			500,000		500,000	0%
ivinganzia asst. chief off		603,748		603,747	603,747	(0)	100%
Kamunyolo Assistant Chiefs' Office		500,000		500,000	500,000		100%

**Makueni Constituency
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Kathonzweni Divisional Police Head Quarters			1,500,000	1,500,000	1,500,000	-	100%
Katithi Assistant Chiefs Office	1,500,000			1,500,000	1,500,000	1,500,000	0%
Kawala Chiefs Office	300,000			300,000	300,000	300,000	0%
Kiangini Chiefs Office	600,000			600,000	600,000	-	100%
Kiangini Chief's Office			700,000	700,000	700,000	-	100%
Kithumani Ass. Chiefs Office	400,000			400,000	400,000	-	100%
Kyemundu Chiefs Office	300,000			300,000	300,000	-	100%
Kyemundu Chief's Office			1,000,000	1,000,000	1,000,000	-	100%
Makueni County Director Of Criminal Investigation Office	1,200,000			1,200,000	1,200,000	1,200,000	0%
Makueni Police Station	1,000,000			1,000,000	1,000,000	-	100%
Matiliku Police Station	500,000			500,000	500,000	500,000	0%
Maviaume Assistant Chiefs Office	300,000			300,000	300,000	300,000	0%
Mbuvo Chiefs Office	600,000			600,000	600,000	600,000	0%
Nziu Police Post			500,000	500,000	500,000	-	100%
Total	7,500,000	-	5,303,748	12,803,747	7,603,747	5,200,000	59%
11.0 Acquisition of assets							
11.1 Motor Vehicles/motorbikes	150,000	469	-	150,469	-	150,469	0%
11.2 Construction of CDF office	-	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	1,218,714	-	1,218,714	-	1,218,714	-
11.4 Purchase of computers			-	-	-	-	-

**Makueni Constituency
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Total	-	1,219,183	-	1,369,183	-	1,369,183	-
12.0 Other payments	150,000						
Strategic plan	900,000	-	-	900,000	-	900,000	-
ICT Hub		4,677,027	-	4,677,027	-	4,677,027	-
Total	900,000	4,677,027	-	5,577,027	-	5,577,027	-
13.0 unallocated fund							
Unapproved projects	-						
AIA	-						
PMC savings	-						
Total	-	-	-	-	-	-	-
	137,088,879	11,267,958	75,011,438	223,368,275	67,346,701	56,021,574	

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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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 2021.

14. Errors

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

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

15. Related Party Transactions

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

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	AIE NO	2020 - 2021	2019 - 2020
Normal Allocation		Kshs	Kshs
	B104735	25,000,000	
	B096850	625,000	
	B096866	1,218,714	
	A823670	44,367,724	
	B124599	9,000,000	
	B124782	3,800,000	
	B119553	12,000,000	
	B119943	13,000,000	
	B128186	6,900,000	
	B128498	6,000,000	
	B126498	10,000,000	
	B132241	6,000,000	
	B126203	6,000,000	
	B138909	15,000,000	
	B140641	12,000,000	
	B041052		54,540,876
	B041118		4,000,000
	B041315		18,000,000
	B047734		5,000,000
	B047964		8,000,000
	B049365		15,000,000
	B104389		18,000,000
	B096810		5,000,000
Conditional Grants		-	-
Receipt from other Constituency		-	-
TOTAL		170,911,438	127,540,876

**Makueni Constituency
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2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	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	-	-
	-	-
Total	-	-

**Makueni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,116,891	2,373,127
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	3,750
Gratuity-contractual employees	-	662,873
Employer Contributions Compulsory national social security schemes	21,400	16,400
TOTAL	3,138,291	3,056,150

**Makueni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Utilities, supplies and services	-	-
Electricity	-	-
Water & sewerage charges	-	17,040
Office rent	-	-
Communication, supplies and services	-	9,450
Domestic travel and subsistence	-	40,800
Printing, advertising and information supplies & services	-	999,920
Rentals of produced assets	-	-
Training expenses	2,672,000	3,590,300
Hospitality supplies and services	-	-
Other committee expenses	1,197,000	1,412,400
Committee allowance	1,517,000	2,984,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	64,905	3,107,930
Fuel , oil & lubricants	3,500,100	2,500,000
Other operating expenses	280,054	-
Bank service commission and charges	62,340	135,272
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	118,069
TOTAL	9,293,399	14,915,181

**Makueni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Transfers to Primary Schools		44,525,000	32,900,000
Transfers to Secondary Schools		31,600,000	25,600,000
Transfers to Tertiary Institutions		2,000,000	
TOTAL		78,125,000	58,500,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Bursary - Secondary (see attached list)		34,342,048	21,425,901
Bursary -Tertiary (see attached list)		14,221,949	11,264,105
Bursary- Special Schools		241,000	239,000
Mocks & CAT (see attached list)		-	-
Social Security programmes (NHIF)		9,915,390	-
Security Projects (see attached list)		7,603,747	3,666,000
Sports Projects (see attached list)		2,782,200	1,316,000
Environment Projects (see attached list)		2,993,677	2,018,880
Emergency Projects (see attached list)		4,690,000	4,850,000
TOTAL		76,790,011	44,779,886

**Makueni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020 - 2021	2019 - 2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	4,842,600
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of office furniture and and General Equipment	-	81,931
Purchase of computers ,printers and other IT equipments	-	92,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
TOTAL	-	5,016,531

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
<i>Cooperative Bank of Kenya, Wote Branch Makueni NG-CDF</i>	<i>A/C no.01120539316700</i>	15,608,695	11,267,958
10B: CASH IN HAND)			
		2020 - 2021	2019 - 2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts		-	-
TOTAL		-	-

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>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total		-	-	-

12A. RETENTION

	2020-2021	2019-2020
	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	-	-

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

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13. BALANCES BROUGHT FORWARD

		2020- 2021	2019- 2020
		Kshs (1/7/2020)	Kshs (1/7/2019)
Bank accounts		11,267,958	9,994,831
Cash in hand		-	-
Imprest		-	-
TOTAL		11,267,958	9,994,831

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjusments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	-	776,000	-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others	-	-	-
Total	-	776,000	-

CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

	2020-2021	2019-2020
	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	-	-

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a. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	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 receivables D= A+B-C	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020- 2021	2019- 2020
	Kshs	Kshs
Compensation of employees	599,466	693,157
Use of goods and services	0	-
Amounts due to other Government entities (see attached list)	21,085,473	43,103,575
Amounts due to other grants and other transfers (see attached list)	27,390,425	36,586,454
Acquisition of assets	1,369,183	1,219,183
Others	5,577,027	4,677,027
Funds pending approval	-	-
TOTAL	56,021,574	86,279,396

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

		2020- 2021	2019- 2020
		Kshs	Kshs
PMC account balances (see attached list)		36,867	146,183

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	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.	-	-	-	-	-
11.	-	-	-	-	-
12.	-	-	-	-	-
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
	-	-	-	
NG-CDFC Staff	-	-	-	
1.	-	-	-	
2.	-	-	-	
3.	-	-	-	
Sub-Total				
Grand Total				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		599,466	693,157	
Use of goods & services		-	-	
Amounts due to other Government entities				
Primary school projects				
Ungatani Primary School		100,000		
Muvau Primary School		278,575		
Ikangavya Primary School		500,000		
Isambani Primary School		500,000		
Kathuma Primary School		500,000		
Kithumba Primary School		500,000		
Kituluni Primary School		500,000		
Kyemole Primary School		500,000		
Mikauni Primary School		500,000		
Muangueni Primary School		500,000		
Mwania Primary School		500,000		
Nzouni Primary School		500,000		
Sia Primary School				

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Syethe Primary School		500,000		
Wee Primary School		500,000		
Mayuu Primary School		500,000		
Kanyonga Primary School		600,000		
Athiani Primary School		700,000		
Itandi Primary School		706,898		
Matiliku Primary School		800,000		
Matiliku Primary School		800,000		
Secondary school projects				
Iiani Secondary School		500,000		
Itumbule Secondary School		500,000		
Mathemba Secondary School		600,000		
Kiuuku Secondary School		800,000		
Kyunyu Secondary School		800,000		
Nziu Girls Secondary School		900,000		
Kambi Mawe Secondary School		1,000,000		
Makueni Girls Secondary School		1,000,000		

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Ngosini Secondary School		2,000,000		
ABC Kalumbi Secondary School		2,100,000		
Tertiary school projects		400,000		
Makueni KMITC		21,085,473	43,103,575	
Total				
Amounts due to other grants and other transfers				
Bursary secondary schools		5,780,790	16,122,838	
Bursary tertiary schools		1,577,884	5,768,613	
Social security		3,230,610		
Security projects				
Assistant Chief's Office Thavu			500,000	
Kamunyolo Assistant Chiefs' Office			500,000	
Nziu Police Post			500,000	
ivinganzia asst. chief off			603,748	
Kiangini Chief's Office			700,000	
Kyemundu Chief's Office			1,000,000	
Kathonzweni Divisional Police Head Quarters			1,500,000	
Barazani Chiefs Office		300,000		
Kawala Chiefs Office				

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
		300,000		
Maviaume Assistant Chiefs Office		300,000		
Ivinganzia Assistant Chiefs Office		500,000		
Matiliku Police Station		500,000		
Mbuvo Chiefs Office		600,000		
Makueni County Director Of Criminal Investigation Office		1,200,000		
Katithi Assistant Chiefs Office		1,500,000		
Sports		2,870,957		
Environment			636,838	
Kwa ndolo sand dam			636,839	
Kwa mwongela gabion		340,000		
Kalui gully project		681,778		
Muusini kwa Charity sand dam		7,708,407		
Emergency		27,390,425	36,586,454	
	Sub-Total			
Acquisition of assets		150,469	469	
Motor vehicle/bike		1,218,714	1,218,714	
Furniture				
Others		900,000		
Strategic plan		4,677,027	4,677,027	
ICT Hub				
	Sub-Total	6,946,210	4,677,496	
	Grand Total	56,021,574	86,279,396	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs) 2019/20			(Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	1,491,652	-	-	1,491,652
Transport equipment	8,345,250	-	-	8,345,250
Office equipment, furniture and fittings	953,931	-	-	953,931
ICT Equipment, Software and Other ICT Assets	92,000	-	-	92,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	10,882,833	-	-	10,882,833

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank	Bank
			Balance	Balance
			2020/21	2019/20
Abc Kalumbi Secondary School	KCB	1125402261		2,132
Aic Mutulani Primary School	Equity	670276630808		216
Iiani Primary School	KCB	1139539676400		2,383
Ikangavya Primary School	Equity	670192887769		796
Kaliini Mixed Day Secondary School	KCB	1182020542		64
Kambi Mawe Boys Secondary School	KCB	1137158751		2,586
Kambi Mawe Boys Secondary School	KCB	1137158751		2,586
Kambi Mawe Mixed Day Primary School	Equity	670276263609		165
Kantheitu sec sch	KCB	1135015961	224	
Kasambani Primary School	Equity	670192900898		168
katheka pri	KCB	1137081759	22,038	
Katithi Primary School	KCB	1171102038		1,901
Kilisa Primary School	Equity	670179499519		200
Kithaayoni Primary School	Equity	670198720440		15
Kithatha Primary School	KCB	1169610161		619
Kithoni Secondary School	KCB	1256533181		3,775
Kithoni Secondary School	KCB	1256533181	5363	
Kitikyumu Primary School	Equity	670192961441		118
Kitise Secondary School	Equity	670292886439		8,020
Kitonyoni Primary School	Equity	670279590803		500

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Kiuani Primary School	Equity	670199802712		90
Kiuuku Mixed Secondary School	Equity	670279590480		1,000
Kwa Mbata Primary School	Equity	670199683278		2,006
Kwa Mbiti Primary School	Equity	670266658280		367
Kwakukui Primary School	Equity	670279597193		200
Kyaka Primary School	KCB	1225968151		259
Kyemundu Secondary School	KCB	1128551446		60
kyumbuni sec sch	KCB	1107172292	4249	
Maauei Primary School	KCB	1139540023100		3,215
makutano pri	Equity	67029987366	614	
Makutano Primary School	Equity	670299813566		858
Mandoi Secondary School	Equity	670292881254		910
mangauni pri sch	Equity	670197096817	448	
Manooni Secondary School	KCB	1112720729		269
Matha Secondary School	KCB	1198536411		3,304
Matiliku Primary School	KCB	1171368291		460
Matulani Primary School	Equity	670199709060		5,560
Mbusyani Primary School	Equity	670199802961		77
Mikisi Primary School	KCB	1139540040100		3,362
Muambani Secondary School	Equity	67026220586		1,394
Mukameni Boys Secondary School	KCB	1108809596		176
Mulangoni Primary School	Equity	670192920955		84
munathi pri sch	coop	113953969411	231	
Mutini Primary School	Equity	670192880603		23,236
Mwaani School	Equity	670292886440		32,933
Mwaani Primary School	Equity	670297828893		7,115

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Mwisa Primary School	Equity	670199811414		67
Ngunu Primary School	Equity	670279577996		500
nzueni pri sch	Equity	670192902410	2804	
Serena Williams Matooni Secondary School	KCB	1258246481		20,790
St Johns Malivani Primary School	Equity	670276530917		560
St Josephs Itandi Primary School	KCB	1127544263		1,014
St Peter Clavers Secondary School	KCB	1117473155		11
St Theresa Secondary School Muuani	KCB	1139539310200		1,239
St.Josephs Ikaasu Secondary School	Equity	670294041856		107
St.Jude Girls Secondary School	KCB	1139539811300		3,688
Syethe Pri Sch	Equity	670292896547		124
Utithini Primary School	Equity	670299396488		3,968
wee pri sch	coop	1139540031700	395.5	
Wee Primary School	KCB	11395400317		396
Yiuma Primary School	Equity	670295282686		540
yumbani pri sch	KCB	1270504215	500	
TOTAL			36,867	146,183

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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)
5.0	Projects were implemented without involvement of sub-county works office in designing, preparing the bill of quantities, supervision and inspection of the projects. The audit could not confirm if the projects meet the standard requirements.	Public works officer was used to prepare all the bill of quantities and issuing of completion certificates for projects. These certificates are available in the office for verification.	Resolved	
8.0	Note 7 to the financial statement indicated that Makueni NG-CDF spent Kshs. 4,850,000 for Emergency. However, there was no evidence presented for audit that the NG-CDF Makueni	The fund account manager has taken initiatives to report emergency projects expenditure to the board immediately these projects are	Resolved	

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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)
	Constituency had reported any of the emergency expenditure to the Board.	implemented.		

Amulya

Atkinson