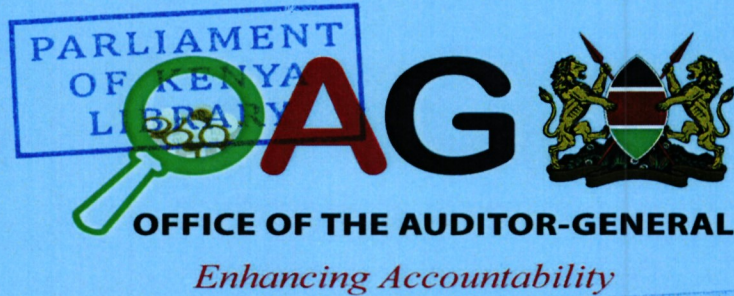


REPUBLIC OF KENYA



REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 MAR 2023	DAY: Wednesday
TABLED BY:	Majority Party Whip
CLERK-AT-THE-TABLE:	Finlay Muriuki

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – KITUI WEST CONSTITUENCY**

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.
33 MAY 2022
RECEIVED



KITUI WEST 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)

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

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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

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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 Kitui West 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	Mr. Nicholas N. Kimanzi
2.	Sub-County Accountant	Mr. Alex M. Mutua
3.	Chairman NGCDFC	Mr. Wilfred N. Keli
4.	Member NGCDFC	Mrs. Rhodester M. Muthui

(d) Fiduciary Oversight Arrangements

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

(e) Kitui West Constituency NGCDF Headquarters

P.O. Box 244-90205, Kabati
NGCDF Building
Ndolos Corner, Along Kabati-Tulia Road
KABATI, KENYA

(f) Kitui West Constituency NGCDF Contacts

Telephone: (254) 720 528 337
E-mail: cdfkituiwest@ngcdf.go.ke
Website: www.kituiwestngcdf.co.ke

(g) Kitui West Constituency NGCDF Bankers

Equity Bank
Kitui Branch
Account No: 0720 262 084 328

(h) Independent Auditors

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

(i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. NG-CDFC CHAIRMAN'S REPORT



INTRODUCTION

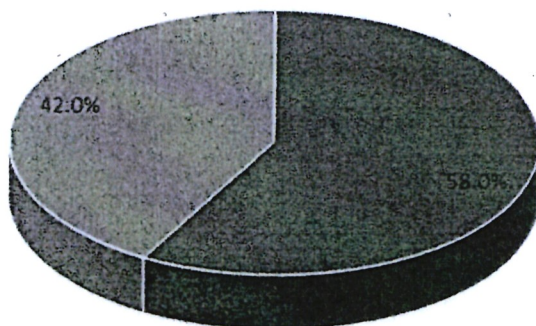
Kitui West Constituency is one of the constituencies that were created in 2013 and was carved from the old Kitui West Constituency. It comprises of a population of about 118,618 as per the 2019 census.

The NG-CDFC has always dedicated time to ensure prudent allocation of resources received from the NG-CDF Board within the four wards in the constituency. Since its inception, the NG-CDFC has completed several development projects that are geared towards infrastructural development, wealth creation and fighting against poverty in the constituency.

During the financial year 2020/2021, the NG-CDFC was able to utilize 59.3% of its allocated resources. At the closure of the financial year, the constituency had unutilised fund amounting to Kshs. 43,762,097 out of the funds received of Kshs. 161, 374,724

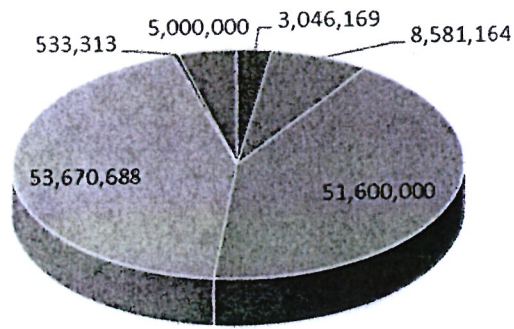
The implementation of funded projects was slow due to a prolonged delay in disbursement of funds by the NG-CDF Board.

Utilization of Funds



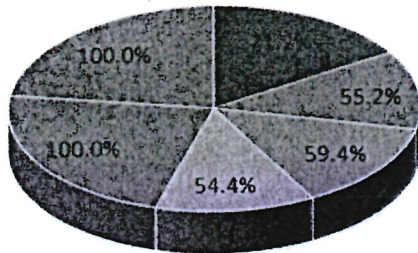
■ Spent Funds ■ Unspent Funds

Expenditure



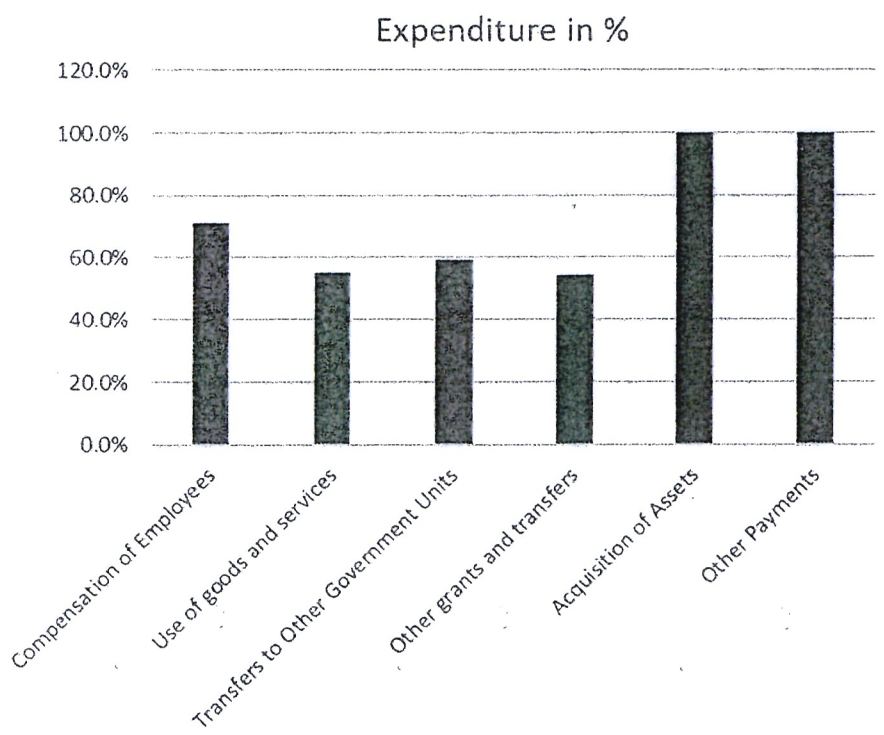
- Compensation of Employees
 - Use of goods and services
 - Transfers to Other Government Units
 - Other grants and transfers
 - Acquisition of Assets
 - Other Payments
-

Expenditure in %



- Compensation of Employees
 - Use of goods and services
 - Transfers to Other Government Units
 - Other grants and transfers
 - Acquisition of Assets
 - Other Payments
-

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National Government Constituencies Development Fund (NGCDF)
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2010/2021 FINANCIAL YEAR ACHIEVEMENTS

During the financial year 2020/2021, Kitui West NG-CDF constructed six (6) new classrooms, renovated eighty-four (84) classrooms in both primary and secondary schools, fenced nine (9) schools, completed seven (7) dormitories, eight (8) laboratories, one (1) staff house, six (6) administration blocks. Kitui West NG-CDF also constructed six (6) assistant chiefs offices, three (3) Police Stations and three (3) pit latrines for Assistant Chiefs Offices.

The improved school infrastructure has led to a better learning environment. The Police Stations, Chiefs' and Assistant chiefs' offices have helped beef up security for the constituents and ensure government services are available to them more easily and conveniently.

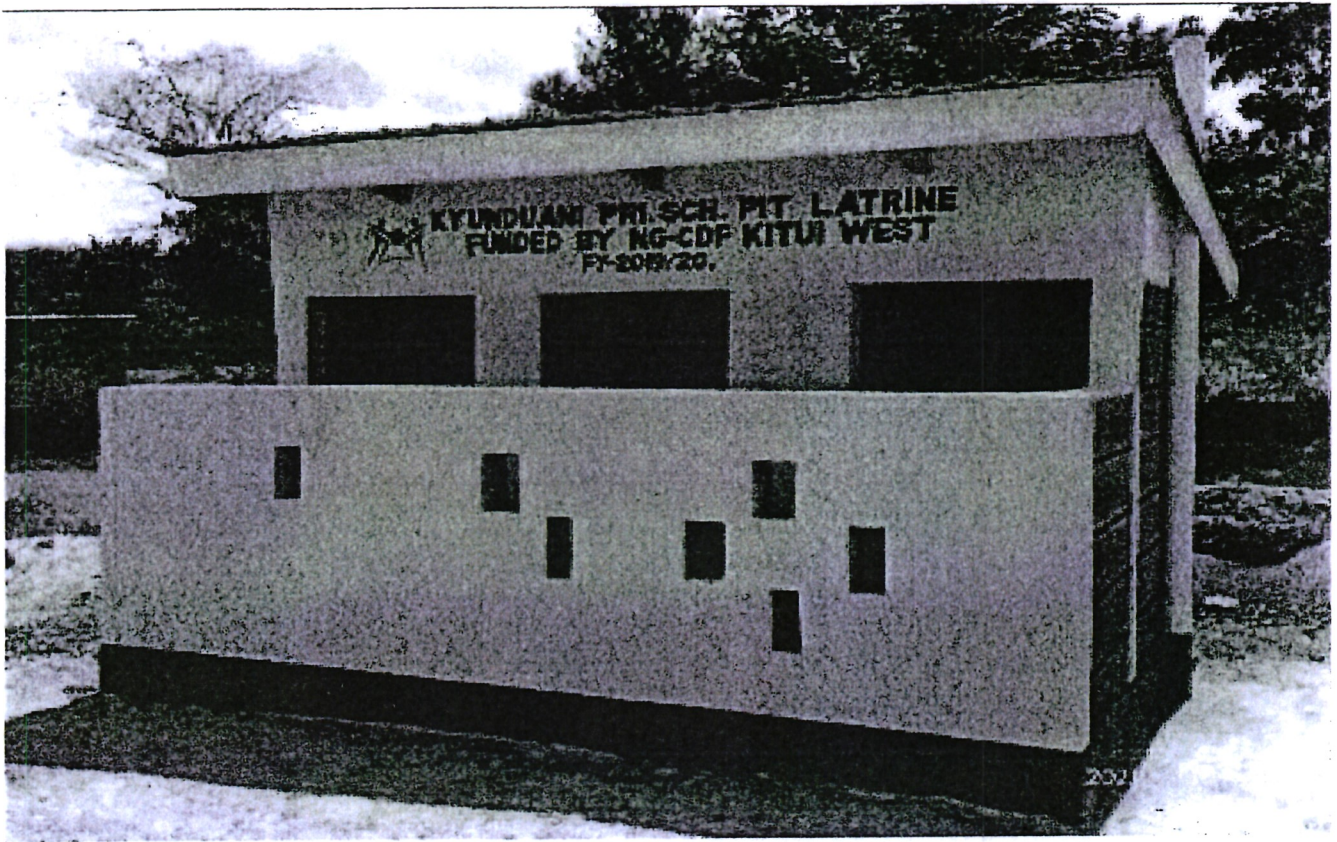


Figure 1: Construction of a pit latrine at Kyunduan Primary School



Figure 2: Fencing of Kalia Assistant Chief's office



Figure 3: Construction of Kithumula Chief's office

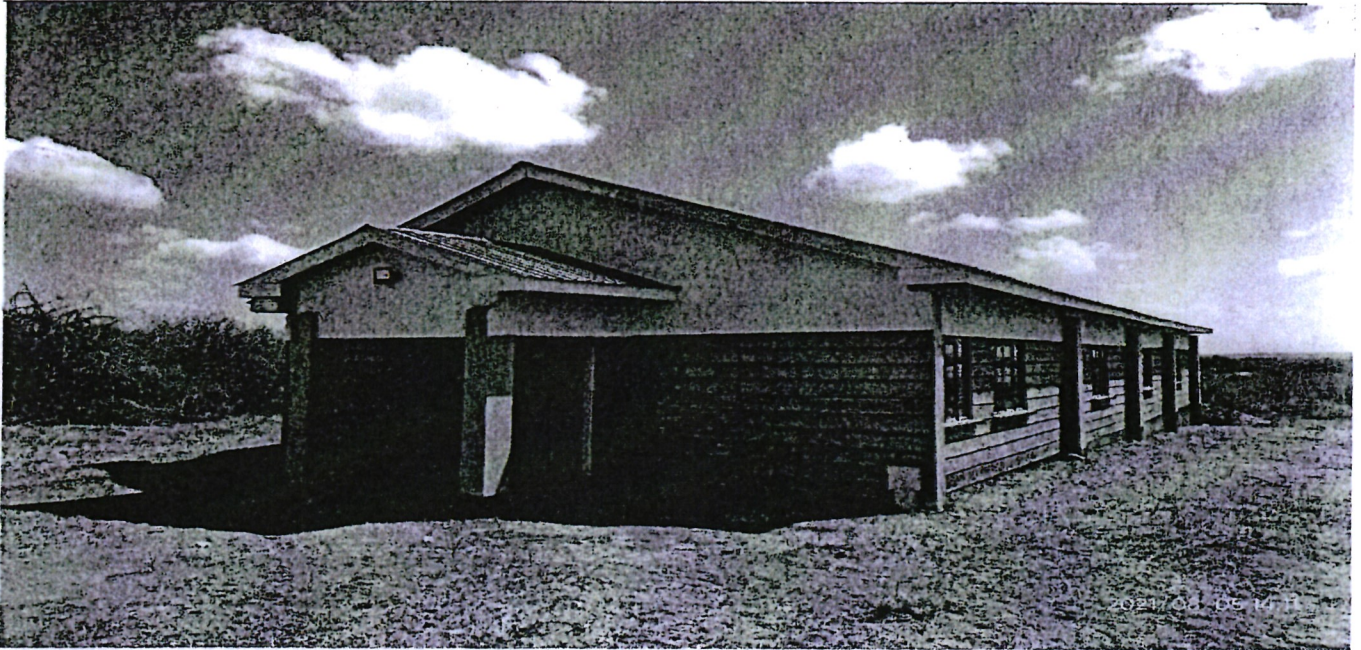


Figure 4: Construction of a dormitory at Mikuyu Mikya Secondary School



Figure 5: Construction of a dormitory at Matinyani Boys Secondary School

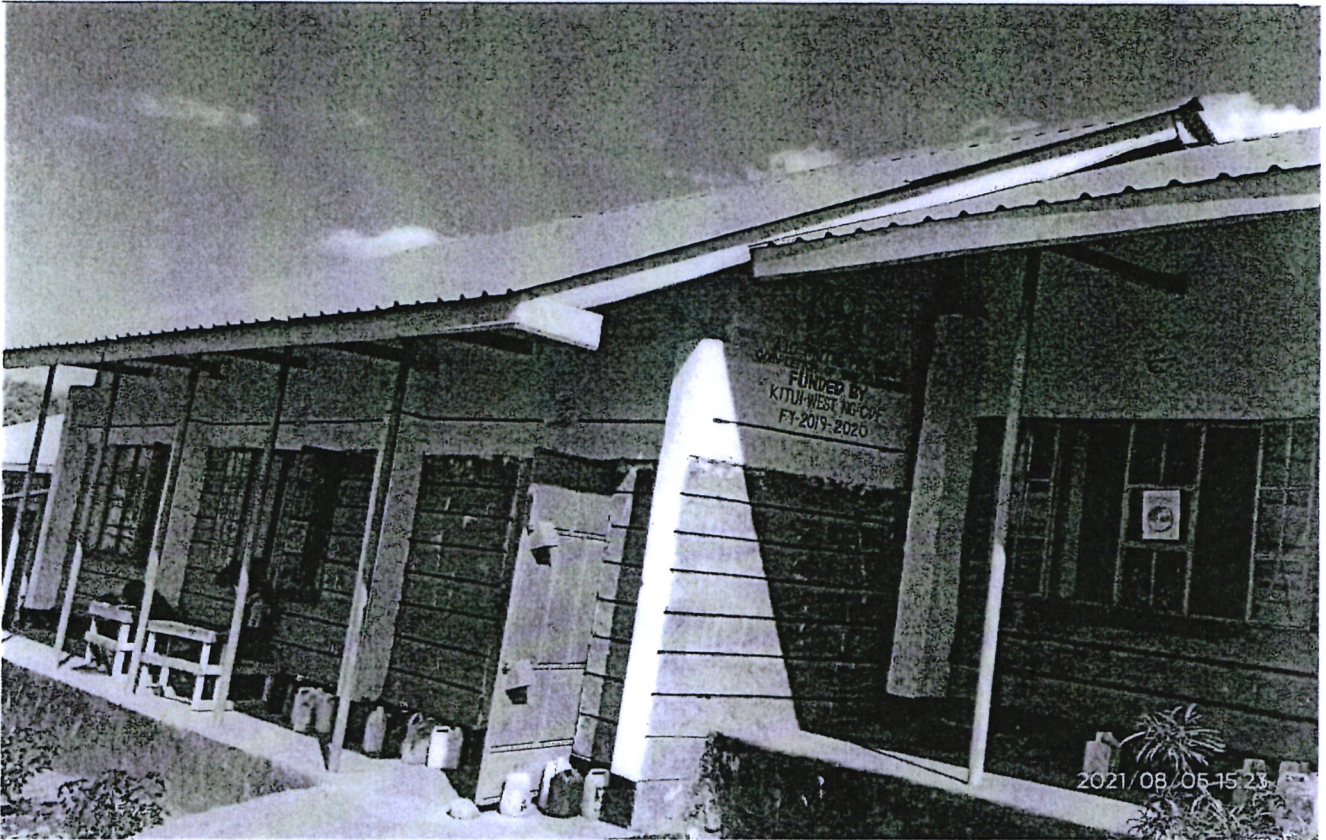


Figure 6: Construction of a classroom at Muthi Primary School

EMERGING ISSUES

Project implementation has been slowed down by the Covid-19 pandemic. As a result, the performance of the constituency has also been hampered. In addition, there has been an increased cases of needy students due to the declining income of constituents.

IMPLEMENTATION CHALLENGES

Kitui West NG-CDF had an approved budget of Kshs. 137,261,879.31 for the financial year 2020/2021. As at the closure of the year, only Kshs. 92,000,000 had been received from the NG-CDF Board which translates to approximately 67% of the total allocation. This has greatly affected the implementation of the approved projects within the financial year.

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 *Kitui West Constituency 2018-2022* plan are to:

- a) Provision of quality education through support of school infrastructure and award of bursaries to the needy students
- b) Promote Environmental sustainability through tree planting in schools
- c) Support quality infrastructure development within the constituency
- d) Empower youth, women and people living with disability through Constituency sports tournament, provision of sports Kits and training of boda boda riders in the constituency
- e) Enhance ICT Skills through provision of computers to schools and establishment of constituency innovation hubs
- f) Promote NG-CDF staff welfare through Improved work environment and better remuneration
- g) Provision of security through improved infrastructure

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Number of usable physical infrastructure built in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 20/21 -we increased number of classrooms by 6 dormitories by 7 laboratories by 8 Fencing by 9, and Administration Blocks by 6. 84 Classrooms were renovated during the year. - Bursary beneficiaries at all levels were as per the attached schedules.
Security	Enhancing	-Easy access to	-Number of	In the F/Y 20/21

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	security, Provision of Conducive working environment and bringing services closer to the constituents.	government services -Morale boost among the personnel -Improved Security.	completed Police stations, Chief's offices and pit latrines	-Completed 3 Police Stations, 6 Chiefs' offices and 3 Pit latrines in assistant chiefs' offices.
Environment	Supporting tree planting activities and construction of sand dams	Afforestation and Sustained environment free from soil erosion and prevention of flooding.	-Number of sand dams constructed	In FY 20/21 Constructed 1 sand dam
Sports	Supporting tree planting activities and construction of sand dams	Youth empowerment, curbing of substance abuse and sensitizing them on good morals.	-Number of constituency tournaments held	In FY 20/21 There was no constituency tournament held
Emergency	Promote initiatives on Prevention of disasters and mitigation practices in case of unforeseen events in the constituency.	To mitigate emergency events when they occur through the emergency kitty.	-Number of emergency projects undertaken	In FY 20/21 Constructed 17 pit latrines under emergency vote.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Kitui west 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 Kitui West NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 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

- During the financial year, Kitui West NGCDF collaborated with a local NGO to plant trees within the Sub County Head quarters and NGCDF office Compounds.
- The NGCDFC also constructed one sand dam to prevent flooding downstream.

3. Employee welfare

We invest in providing the best working environment for our employees. Kitui West constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to

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

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. Kitui West 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-

Kitui West NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Kitui West 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 NGCDF-Kitui West 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 charge of the NGCDF- Kitui West Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

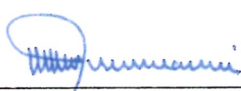
The Accounting Officer in charge of the NGCDF Kitui West Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used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

Approval of the financial statements

The NGCDF- Kitui West Constituency financial statements were approved and signed by the Accounting Officer on _____ 2021.



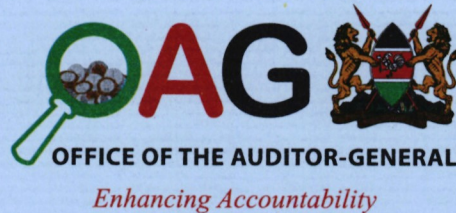
Chairman NGCDF Committee
Name: Wilfred Keli



Fund Account Manager
Name: Nicholas Kimanzi

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KITUI WEST 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, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Kitui West Constituency set out on pages 19 to 61, 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 summary statement of

Report of the Auditor-General on National Government Constituencies Development Fund - Kitui West Constituency for the year ended 30 June, 2021

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kitui West 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 National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Errors in Presentation and Inaccuracies in Financial Statements

Review of the Fund's financial statements revealed the following unsatisfactory matters;

- i. The Table of contents is incomplete as it does not include the statement of cash flows on page 21 and Annexes to the financial statements from pages 47.
- ii. The statement of assets and liabilities reflects Nil retention balance as disclosed in Note 12A to the financial statements. However, Note 16 to the financial statements on changes in accounts payable-deposits and retentions reflects a balance of Kshs.284,612 on deposits and retention thus resulting in an unexplained variance of Kshs.284,612. In addition, Note 16 to the financial statements discloses the reported year as 2019/2020 instead of 2020/2021.
- iii. The report on budget execution by sectors and projects reflects amounts of Kshs.122,431,334 and Kshs.89,146,707 in respect of actual on comparable basis and budget utilization difference respectively, while the summary statement of appropriation under the two headings reflects Kshs.122,727,065 and Kshs.88,850,976 respectively resulting in an unexplained variance of Kshs.295,731 in both amounts.
- iv. Note 17.3 to the financial statements under other important disclosures and Annex 3 to the financial statements reflects unutilized fund balance of Kshs.66,226,364 which differs from the budget utilization difference of Kshs.88,850,976 in the summary statement of appropriation. No reconciliation was provided for the variance of Kshs.22,624,612.
- v. The summary of fixed asset register under Annex 4 to the financial statements reflects historical cost balance brought forward of Kshs.25,073,302. However, the balance differs with the closing balance for the financial year 2019/2020 of Kshs.27,826,030 resulting to an unexplained variance of Kshs.2,752,728.

In the circumstances, the accuracy and completeness of the financial statements could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kitui West 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 statement of comparative budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.211,578,041 and Kshs.166,489,162 respectively resulting to an under-funding of Kshs.45,088,879 or 21% of the budget. Similarly, the Fund spent Kshs.122,727,065 against an approved budget of Kshs.211,578,041 resulting to an under-expenditure of Kshs.88,850,976 or 42% of the budget. Further, out of the total receipts of Kshs.166,489,162 the actual expenditure was Kshs.122,727,065 resulting in under absorption of Kshs.43,762,097 (or 26%) of the available funds.

The underfunding and underperformance affected the planned activities of the Fund and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Poor Workmanship in Construction of Administration Block

Review of projects implementation documents revealed that the Fund initiated a project at Matinyani Police Station in 2013. The project was for construction to completion of administration block which consists of the Officer Commanding Station (OCS) office, Deputy OCS' office, Crimes office, Records office, Armoury and two cells at a contract price was Kshs.4,000,000 which was fully paid. However, a physical verification of the project carried out on 20 April, 2022 revealed that after completion of the project, the cell and armoury are yet to be put to use because of the poor quality of the doors and windows which have rendered the structures unusable.

In the circumstances, it has not been possible to ascertain whether the residents got value for money from the expenditure of Kshs.4,000,000.

2. Un-satisfactory Project Implementation Status

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects the transfers to other Government entities of Kshs.51,600,000. However, a physical verification of projects with a total cost of Kshs.6,500,000 implemented by the Fund, which was carried out in April, 2022 revealed the following anomalies:

- i) An amount of Kshs.2,500,000 was transferred to Katheka Secondary School for the Construction of a 200-capacity dormitory. However, at the time of the audit verification, the contractor was not on site and the Project had stalled.
- ii) Further, an amount of Kshs.2,000,000 was transferred to Matinyani Secondary School for purposes of the conversion of a dining hall to a dormitory. However, the verification of the project revealed that the flooring works valued at Kshs.176,250 had not been done. In addition, the project was not branded.
- iii) In addition, AIC Utoo Secondary School received Kshs.2,000,000 towards the construction of a science laboratory. The audit verification revealed poor workmanship in the sink areas. It was also noted that, mechanical works (supply, installation, testing and commissioning) totalling Kshs.336,650 were not done.

In the circumstances, value for money in the expenditure of Kshs.6,500,000 incurred on the projects could not be ascertained.

3. Bursary Disbursements-Unpresented Cheques

The statement of receipts and payments reflects an amount of Kshs.53,670,688 in respect to other grants and other payments as disclosed in Note 7 to the financial statements. Included in this amount are bursaries disbursements of Kshs.19,066,309 and Kshs.15,965,900 for secondary schools and tertiary institutions respectively.

However, review of the bank reconciliation statements provided in support of the bank balance of Kshs.43,762,097 as disclosed in Note 10A to the financial statements showed unpresented cheques amounting to Kshs.3,733,109 all of which related to bursaries payments. No explanation was provided for the large number of bursaries cheques that had remained unpresented as at 30 June, 2021 some of which dated back to January, 2021.

In the circumstances, needy students did not benefit from the bursaries awards due to failure by the Fund Management to release the cheques promptly.

4. Un-Surrendered Idle Funds in Project Management Committees Accounts

The statement of assets and liabilities as disclosed in Note 17.4 to the financial statements, reflects Project Management Committee (PMC) account balances of Kshs.36,661,590. However, analysis of the transactions revealed that there were balances amounting to Kshs.644,190 that had remained idle since the financial year 2019/2020 in the various PMC bank accounts. Management did not explain why these

funds had not been transferred to the Constituency account for reallocation. This was contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires that all unutilized funds of the Project Management Committees be returned to the Constituency account.

In the circumstances, Management was in breach of law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Segregation of Duties in the Finance Function

During the audit, it was observed that the duties of updating the cashbook, bank reconciliations, receipting and payments were all done by one staff. This undermines the achievement of segregation of duties and may enable the staff to execute one transaction alone from initiation to completion which may occasion errors or fraud.

In the circumstance, the absence of segregation of duties in key processes, exposed the Fund to the risk of fraud and error.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intentions 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 Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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, SBS
AUDITOR-GENERAL

Nairobi

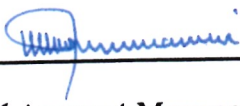
08 September, 2022

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

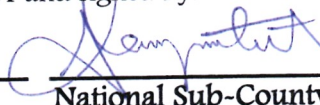
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	7,000	39,000
TOTAL RECEIPTS		161,374,724	123,079,876
PAYMENTS			
Compensation of employees	4	3,341,900	3,438,600
Use of goods and services	5	8,581,164	7,159,514
Transfers to Other Government Units	6	51,600,000	55,905,393
Other grants and transfers	7	53,670,688	60,089,303
Acquisition of Assets	8	533,313	3,000,000
Other Payments	9	5,000,000	400,000
TOTAL PAYMENTS		122,727,065	129,992,810
SURPLUS/(DEFICIT)		38,647,659	(6,912,935)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kitui West Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: Nicholas N. Kimanzi



National Sub-County Accountant
Name: Alex M. Mutua
ICPAK M/No:



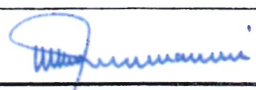
Chairman NG-CDF Committee
Name: Wilfred N. Keli

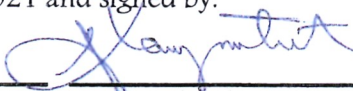
*Kitui West Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

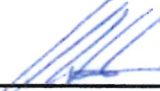
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	43,762,097	5,114,438
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		43,762,097	5,114,438
Accounts Receivable			
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		43,762,097	5,114,438
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	0	0
Gratuity	12B	284,612	580,343
TOTAL FINANCIAL LIABILITES		284,612	580,343
NET FINANCIAL ASSETS		43,477,485	4,534,095
REPRESENTED BY			
Fund balance b/fwd		5,114,438	11,447,029
Prior year adjustments	14	0	0
Surplus/Deficit for the year		38,647,659	(6,912,935)
NET FINANCIAL POSITION		43,762,097	4,534,095

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kitui West Constituency financial statements were approved on _____ 2021 and signed by:


Fund Account Manager
Name: Nicholas N. Kimanzi


National Sub-County
Accountant
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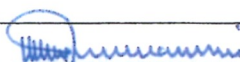

Chairman NG-CDF Committee
Name: Wilfred N. Keli

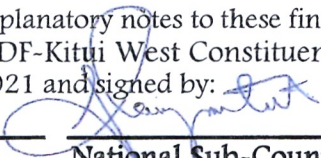
*Kitui West Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Other Receipts	3	<u>7,000</u>	<u>39,000</u>
Total receipts		161,374,724	123,079,876
Payments for operating activities			
Compensation of Employees	4	3,341,900	3,438,600
Use of goods and services	5	8,581,164	7,159,514
Transfers to Other Government Units	6	51,600,000	55,905,393
Other grants and transfers	7	53,670,688	60,089,303
Other Payments	9	5,000,000	400,000
Total payments		122,193,752	126,992,810
Total Receipts Less Total Payments		39,180,972	(3,912,934)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (Outstanding imprest)	15	0	0
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	(295,731)	580,343
Prior year adjustments	14	0	0
Net cash flow from operating activities		38,885,241	(3,332,592)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	8	(533,313)	(3,000,000)
Net cash flows from Investing Activities		38,351,928	(6,332,592)
NET INCREASE IN CASH AND CASH EQUIVALENT		38,351,928	(6,332,592)
Cash and cash equivalent at BEGINNING of the year	10	5,114,438	11,447,029
Cash and cash equivalent at END of the year		<u>43,466,366</u>	<u>5,114,438</u>

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


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National Sub-County
Accountant
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ICPAK M/No:


Chairman NG-CDF Committee
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*National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

IX. SUMMARY STATEMENT OF APPROPRIATION

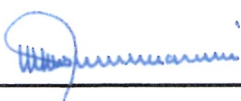
Receipt/Expense Item	Original Budget		Adjustments		Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
	a	b	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
RECEIPTS								
Transfers from NG-CDF Board	137,088,879	69,367,724	5,114,438	69,367,724	211,571,041	166,482,162	45,088,879	78.7%
Proceeds from Sale of Assets	-	0	-	0	0	-	-	0.0%
Other Receipts			7,000		7,000	7,000	-	100.0%
TOTAL RECEIPTS	137,088,879	69,367,724	5,121,438	69,367,724	211,578,041	166,489,162	45,088,879	78.7%
PAYMENTS								
Compensation of Employees	1,136,667	2,934,196	785,140	2,934,196	4,856,003	3,341,900	1,514,103	68.8%
Use of goods and services	11,043,902	3,578,899	754,262	3,578,899	15,377,063	8,581,164	6,795,899	55.8%
Transfers to Other Government Units	56,900,000	28,900,000	1,100,000	28,900,000	86,900,000	51,600,000	35,300,000	59.4%
Other grants and transfers	68,008,310	28,421,316	2,302,036	28,421,316	98,731,662	53,670,688	45,060,974	54.4%
Acquisition of Assets	-	533,313		533,313	533,313	533,313	-	100.0%
Other Payments		5,000,000		5,000,000	5,000,000	5,000,000	-	100.0%
Funds pending approval					0			
AIA			180,000		180,000		180,000	0.0%
TOTAL	137,088,879	69,367,724	5,121,438	69,367,724	211,578,041	122,727,065	88,850,976	58%

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

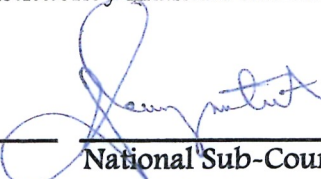
- i. *Compensation of employees (62.7%): During the financial year, the Accounts Assistant resigned and was replaced after four months thus the underutilization of the salaries vote.*
- ii. *Use of goods and services (55.8%): The underutilization is as a result of piecemeal disbursements from the Board*
- iii. *Transfer to other Government Units (59.4%): The underutilization is as a result of piecemeal disbursements from the Board*
- iv. *Other grants and transfers (54.4%) The underutilization is as a result of piecemeal disbursements from the Board*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	88,850,976
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,879
	43,762,097
Add Accounts payable	(295,731.37)
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	43,466,365

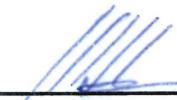
The NGCDF-Kitui West Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: Nicholas N. Kimanzi



National Sub-County
Accountant
Name: Alex M. Mutua
ICPAK M/No:



Chairman NG-CDF Committee
Name: Wilfred N. Keli

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

X. 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 %)
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
1.0 Administration and Recurrent								
1.1 Compensation of employees	1,136,667		785,140	2,934,196	4,856,003	3,341,900	1,514,103	69
1.2 Committee allowances	3,000,000		1,035	500,000	3,501,035	2,266,611	1,234,424	65
1.3 Use of goods and services	3,926,046		14,214	698,640	4,638,900	2,061,022	2,577,878	44
Total	8,062,713		800,389	4,132,836	12,995,938	7,669,533	5,326,405	59
2.0 Monitoring and evaluation								
2.1 Capacity building	2,000,000		681,750	1,800,000	4,481,750	2,495,400	1,986,350	56
2.2 Committee allowances	1,000,000		-	250,000	1,250,000	1,170,610	79,390	94
2.3 Use of goods and services	1,117,856		57,263	330,259	1,505,378	587,521	917,857	39
Total	4,117,856		739,013	2,380,259	7,237,128	4,253,531	2,983,597	59
3.0 Emergency	7,192,207		527,754	2,326,607	10,046,568	5,900,479	4,146,089	59
3.1 Primary Schools								
3.2 Secondary schools								
3.3 Tertiary institutions								
3.4 Security projects								

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

Programme/Sub-programme	Original Budget(a) 2020/2021	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				
3.5 Unutilised							
Total	7,192,207	527,754	2,326,607	10,046,568	5,900,479	4,146,089	59
4.0 Bursary and Social Security							
4.1 Secondary Schools	18,293,628	325,621	1,000,000	19,619,249	19,066,309	552,940	97
4.2 Tertiary Institutions	14,994,000	1,448,661	13,000,000	29,442,661	15,965,900	13,476,761	54
4.3 Social Security	-	-	-	-	-	-	-
4.4 Special Needs	88,000	-	-	88,000	88,000	-	100
Total	33,375,628	1,774,282	14,000,000	49,149,910	35,120,209	14,079,701	71
5.0 Sports							
5.1	2,745,238		2,747,354	5,492,592	-	5,492,592	-
Total	2,745,238	-	2,747,354	5,492,592	-	5,492,592	-
6.0 Environment							
6.1	2,745,238	-	2,747,354	5,492,592	1,000,000	-	18
Total	2,745,238	-	2,747,354	5,492,592	1,000,000	4,492,592	18
7.0 Primary Schools Projects							
AIC Kivani Primary School	700,000.00	-	-	700,000	700,000	-	100
AIC Kivani Primary School	-	-	700,000	700,000	-	700,000	-

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

Programme/Sub-programme	Original Budget(e) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
AIC Makolo Primary School	400,000			400,000	400,000	-	100
AIC Matinyani Primary School	3,000,000			3,000,000		3,000,000	-
Emivea Primary School			500,000	500,000	500,000	-	100
Iani Primary School	1,000,000			1,000,000		1,000,000	-
Ivulya Muu Primary School	1,000,000			1,000,000		1,000,000	-
Kakeani Primary school	800,000			800,000		800,000	-
Kakumi Primary School	1,500,000			1,500,000		1,500,000	-
Kalimbevo Primary School	800,000			800,000	800,000	-	100
Kalinditi Primary School	800,000			800,000	800,000	-	100
Kangii Primary School			800,000	800,000	800,000	-	100
Kangondi Primary School			700,000	700,000	700,000	-	100
Kasakini Primary School	1,000,000			1,000,000		1,000,000	-
Katheuni Primary School	800,000			800,000	800,000	-	100
Kathuma Primary School	500,000			500,000		500,000	-
Katutu Primary School	800,000			800,000		800,000	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	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				
Kauma Primary School	600,000			600,000		600,000	-
Kaumoni Primary School			500,000	500,000	500,000	-	100
Kavonge Primary School	700,000			700,000	700,000	-	100
Kavoo Primary School	500,000			500,000		500,000	-
Kavumbu Primary School	1,000,000			1,000,000	1,000,000	-	100
Kavumbu Primary School			500,000	500,000	500,000	-	100
Kilimu Primary School			500,000	500,000	500,000	-	100
Kiseveni Primary School	650,000			650,000	650,000	-	100
Kithumula Primary School			200,000	200,000	200,000	-	100
Kithunzi Primary School	800,000			800,000	800,000	-	100
Kitumbi Primary School	600,000			600,000	600,000	-	100
Kitundumo Primary School	700,000			700,000	700,000	-	100
Kiumoni Primary School	800,000			800,000	800,000	-	100
Kivani DEB Primary School	400,000			400,000	400,000	-	100
Kivulu Primary School	700,000			700,000		700,000	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Kwa Musyimi Primary School	1,300,000			1,300,000		1,300,000	-
Kwa Mutonga Primary School	1,000,000			1,000,000		1,000,000	-
Kwa Nyingi Primary School	700,000			700,000		700,000	-
Kwa Silu Primary School	500,000			500,000		500,000	-
Kyaani Primary School	400,000			400,000	400,000	-	100
Kyambiwa Primary School	1,000,000			1,000,000		1,000,000	-
Kyamutimba Primary School	1,000,000			1,000,000		1,000,000	-
Kyeni Primary School (Kauwi)	1,000,000			1,000,000	1,000,000	-	100
Kyeni Pry School			1,000,000	1,000,000		1,000,000	-
Kyunduani Primary School			800,000	800,000	800,000	-	100
Maaini Primary School	-	1,100,000		1,100,000	1,100,000	-	100
Maseki Primary School			700,000	700,000	700,000	-	100
Maselele Primary School	800,000			800,000	600,000	200,000	75
Maselele Primary School			600,000	600,000		600,000	-

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

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		
Mateta Primary School			850,000	850,000	850,000	-	100
Mavalo Primary School			800,000	800,000	800,000	-	100
Mikuyu Mikya Primary School			1,400,000	1,400,000	1,400,000	-	100
Mumbuni Primary School	1,100,000			1,100,000		1,100,000	-
Muthi Primary School			300,000	300,000	300,000	-	100
Mutini Primary School	1,000,000			1,000,000		1,000,000	-
Mutulu Primary School (Mutonguni)			500,000	500,000	500,000	-	100
Mwangya Primary School			800,000	800,000	800,000	-	100
Ndiuni Primary School			700,000	700,000	700,000	-	100
Ngegekani Primary School			600,000	600,000	600,000	-	100
St. Mary's Kavole Primary School			900,000	900,000	900,000	-	100
Syomuitu Primary School	650,000			650,000		650,000	-
Tulia Primary School	800,000			800,000		800,000	-
Tulia Special Primary School	1,500,000			1,500,000		1,500,000	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Uvaani Primary School	500,000			500,000	500,000	-	100
Yalatani Primary School	800,000			800,000		800,000	-
Total	34,600,000	1,100,000	14,350,000	50,050,000	24,800,000	25,250,000	50
8.0 Secondary Schools Projects							
AIC Kitunduni Secondary School	1,000,000			1,000,000	1,000,000	-	100
AIC Kyondoni Girls Secondary School	1,700,000			1,700,000	1,700,000	-	100
AIC Matinyani Mixed Secondary School	2,000,000			2,000,000		2,000,000	-
Arch. Bishop Lele Mang'etu Secondary School	2,000,000			2,000,000		2,000,000	-
Emivea Mixed			800,000	800,000	800,000	-	100
Iiani Secondary School	1,000,000			1,000,000	1,000,000	-	100
Kakeani Secondary School	1,700,000			1,700,000	1,700,000	-	100
Kakumuti Secondary School	2,000,000			2,000,000	2,000,000	-	100
Kangiji Secondary School	1,700,000			1,700,000	1,700,000	-	100
Kangungi Secondary School	1,000,000			1,000,000	1,000,000	-	100
Kasue Secondary School	1,700,000			1,700,000	1,700,000	-	100
Katheka Secondary School			2,500,000	2,500,000	2,500,000	-	100
Katutu Girls Secondary School	1,500,000			1,500,000		1,500,000	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Kiamani Secondary School			1,000,000	1,000,000	1,000,000	-	100
Kitamwili Secondary School			700,000	700,000	700,000	-	100
Kivani Secondary School			500,000	500,000	500,000	-	100
Kyeni Mixed Secondary School	1,000,000			1,000,000		1,000,000	-
Matinyani Boys Sec. School			2,000,000	2,000,000	2,000,000	-	100
Mikuyu Mikya Mixed Secondary School			1,000,000	1,000,000	1,000,000	-	100
Mutanda Secondary School	1,000,000			1,000,000		1,000,000	-
Muthamo Sec			500,000	500,000	500,000	-	100
St. Michael Kavumbu sec			1,000,000	1,000,000	1,000,000	-	100
St. Benedicts Kwa Mutonga Secondary School			500,000	500,000	500,000	-	100
St. Johns Kwa Mulungu Secondary School	1,000,000			1,000,000		1,000,000	-
St. Josephs Musosya Secondary School	1,500,000			1,500,000	1,500,000	-	100
St. Patricks Kalindilo Secondary School	500,000			500,000		500,000	-
St. Patricks Kalindilo Secondary School			1,000,000	1,000,000	1,000,000	-	100
Ufoo Mixed Day Secondary School			2,000,000	2,000,000	2,000,000	-	100
Sub total	22,300,000		13,500,000	35,800,000	26,800,000	9,000,000	75
9.0 Tertiary institutions Projects							

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Total	-	-	-	-	-	-	-
10.0 Security Projects							
Kakumuti Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Kalimani Chief's Office	700,000			700,000	-	700,000	-
Kalimbevo Assistant Chief's Office			200,000	200,000	200,000	-	100
Kangondi Assistant Chief's Office			300,000	300,000	300,000	-	100
Kangondi Chief's Office	600,000			600,000	-	600,000	-
Kathivo Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Kathivo Police Station			3,000,000	3,000,000	3,000,000	-	100
Kiseveni Ass. Chief			200,000	200,000	200,000	-	100
Kitamwiki Secondary School			700,000	700,000	-	700,000	-
Kithuani Assistant Chief's Office			200,000	200,000	-	200,000	-
Kithuani Assistant Chief's Office	400,000			400,000	200,000	200,000	50
Kithumula Chiefs Office			1,200,000	1,200,000	1,200,000	-	100
Kyenge Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Kyuasi Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Makolo Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Matinyani Police Head Quarters	500,000			500,000	500,000	-	100
Mithikwani Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Mithini Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Musengo Chief's Office	700,000			700,000	-	700,000	-
Mutunguni Chief's Office	500,000			500,000	500,000	-	100
Mutunguni Police Station			2,000,000	2,000,000	-	2,000,000	-
Mutululu Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Ndolos Police Station	4,000,000			4,000,000	4,000,000	-	100
Nzala Assistant Chief's Office	1,250,000			1,250,000	-	1,250,000	-
Nzinia Chief's Office	300,000			300,000	300,000	-	100
Sangala Assistant Chief's Office	500,000			500,000	-	500,000	-
Syokithumbi Assistant Chief's Office	1,250,000			1,250,000	1,250,000	-	100
Yalatani Chief's Office	1,250,000			1,250,000	-	1,250,000	-
	21,950,000		7,800,000	29,750,000	11,650,000	18,100,000	39
11.0 Acquisition of assets							
11.1 Motor Vehicles	-		533,313	533,313	533,313	-	100
11.2 Construction of CDF office	-		-	-	-	-	-
11.3 Purchase of furniture and equipment	-		-	-	-	-	-

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

Programme/Sub-programme	Original Budget(a) 2020/2021	Adjustments(b)		Final Budget c = (a+b) 2020/2021	Actual on comparable basis(d) 30/06/2021	Budget utilization difference(e = c- d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
11.4 Purchase of computers	-			-	-	-	-
Total	-	-	533,313	533,313	533,313	-	100
12.0 Other payments				-	-	-	
RENEC			5,000,000	5,000,000	5,000,000	-	100
				-	-	-	
				-	-	-	
				-	-	-	
				-	-	-	
Total	-	-	5,000,000	5,000,000	5,000,000	-	100
13.0 unallocated fund							
Unapproved projects							
AIA		180,000		180,000		180,000	-
PMC savings							
Total	137,088,879	5,121,438	69,367,724	211,578,041	122,431,334	89,146,707	58

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

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

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Kitui West 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

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

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 11th June 2020 for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO B041086	1		55,040,875.50
AIE NO B047486	2		4,000,000.00
AIE NO B041488	3		20,000,000.00
AIE NO B049333	4		14,000,000.00
AIE NO B047940	5		6,000,000.00
AIE NO B104357	6		24,000,000.00
AIE NO. B096967	1	18,000,000.00	
AIE NO. B104626	2	21,000,000.00	
AIE NO. A823654	3	30,367,724.10	
AIE NO. B124574	4	9,000,000.00	
AIE NO. B119521	5	8,500,000.00	
AIE NO. B119911	6	13,000,000.00	
AIE NO. B128465	7	7,000,000.00	
AIE NO. B128152	8	6,900,000.00	
AIE NO. B132209	9	6,000,000.00	
AIE NO. B138877	10	13,000,000.00	
AIE NO. B126465	11	10,600,000.00	
AIE NO. B132209	12	6,000,000.00	
AIE NO. B140609	13	12,000,000.00	
TOTAL		161,367,724	123,040,876

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

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents	7,000	39,000
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	7,000	39,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,915,730	2,105,615
Personal allowances paid as part of salary		
House Allowance	227,400	243,700
Transport Allowance	233,000	254,000
Leave allowance	0	0
Gratuity to contractual employees	885,450	754,645
Employer Contributions Compulsory national social security schemes	80,320	80,640
Total	3,341,900	3,438,600

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	1,347,000	2,824,700
Utilities, supplies and services	86,260	71,360
Communication, supplies and services	22,699	125,000
Domestic travel and subsistence	2,098,720	445,075
Printing, advertising and information supplies & services	0	696,072
Rentals of produced assets	0	0
Training expenses	2,495,400	583,900
Hospitality supplies and services	480,335	438,789
Other committee expenses	357,000	0
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	676,120	961,007
Other operating expenses	166,500	0
Routine maintenance – vehicles and other transport equipment	250,277	487,447
Routine maintenance – other assets	50,000	0
Electricity	20,590	0
Water and sewerage charges	63,985	0
Fuel, oil and lubricants	420,298	503,964
Bank service commission and charges	45,980	22,200
Total	8,581,164	7,159,514

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	24,800,000	27,355,393
Transfers to secondary schools (see attached list)	26,800,000	28,350,000
Transfers to tertiary institutions (see attached list)	0	200,000
TOTAL	51,600,000	55,905,393

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	19,066,309	27,653,737
Bursary – tertiary institutions (see attached list)	15,965,900	13,511,215
Bursary – special schools (see attached list)	88,000	321,900
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0
Security projects (see attached list)	11,650,000	8,700,000
Sports projects (see attached list)	0	2,180,818
Environment projects (see attached list)	1,000,000	2,180,818
Emergency projects (see attached list)	5,900,479	5,540,815
Total	53,670,688	60,089,303

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment	533,313	0
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment	0	1,885,000
Purchase of ICT Equipment, Software and Other ICT Assets	0	1,115,000
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	533,313	3,000,000

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Website		400,000
REREC	5,000,000	
Total	5,000,000	400,000

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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	2020-2021	2019-2020
	Kshs	Kshs
Equity Bank Kenya LTD, 0720262084328	43,762,097	5,114,438
Total	43,762,097	5,114,438
10B: CASH IN HAND		
	0	0
Total	0	0

11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Total				0

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	42	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	580,343	0
Gratuity held during the year (B)	589,719	580,343
Gratuity paid during the Year (C)	885,450	0
Closing Gratuity as at 30 th June D= A+B-C	284,612	580,343

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	5,114,438	11,447,029
Cash in hand	0	0
Imprest	0	0
Total	5,114,438	11,447,029

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances			
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			
TOTAL	0	0	0

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	6,560,170	4,500,771
Imprest surrendered during the Year (C)	6,560,170	4,500,771
closing accounts in account receivables D= A+B-C	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 – 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	580,343	0
Deposit and Retentions held during the year (B)	589,719	754,645
Deposit and Retentions paid during the Year (C)	885,450	174,302
closing account receivables D= A+B-C	284,612	580,343
Increase or (Decrease) in Accounts Payables E= D1-D2	(295,731)	0

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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	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	660,000
	0	660,000

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	258,405	0
Others (<i>specify</i>)	0	0
	258,405	0

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,289,491	3,188,993
Use of goods and services	6,795,899	4,333,163
Amounts due to other Government entities (see attached list)	11,900,000	28,950,000
Amounts due to other grants and other transfers (see attached list)	46,060,974	31,723,350
Acquisition of assets	0	533,313
Others (REREC)	0	5,000,000
Funds pending approval (AIA)	180,000	173,000
TOTAL	66,226,364	73,901,819

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)	36,661,590	43,636,809
	36,661,590	43,636,809

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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. Training of Bodaboda Riders	1,590,000	30/08/2019	930,000	660,000	
11.					
12.					
Sub-Total	1,590,000		930,000	660,000	
Grand Total	1,590,000		990,000	660,000	

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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. Justus Kasau Mungali	Driver	01/06/2018	258,405	Pending Gratuity
2.				
3.				
	Sub-Total		258,405	
	Grand Total			

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land				
Buildings and structures	15,007,468	0	0	15,007,468
Transport equipment	6,700,653	533,313	0	7,233,966
Office equipment, furniture and fittings	1,291,700	0	0	1,291,700
ICT Equipment, Software and Other ICT Assets	1,473,181	0	0	1,473,181
Other Machinery and Equipment	600,300	0	0	600,300
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	25,073,302	533,313	0	25,606,615

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
AIC Makolo Primary School	Co-Operative Bank	1139303686900	503,536.50	1,201,052.50
Kavumbu Primary School	Co-Operative Bank	1139811001400	1,106,295	3,845.00
Kitui West DCCs Office	Co-Operative Bank	1141810526200	359,431	804,250.00
Kitui West Environment PMC	Co-operative Bank	1141303239200	520,266.50	520,166.00
Kwa Mutonga AP Line	Co-Operative Bank	1141304793600	375	375.00
Kyaani Primary School	Co-Operative Bank	1139811307000	442,946	1,001,020.00
Matinyani Boys' Sec. School	Co-Operative Bank	1139304683700	806,638	20,085.00
Muthale Girls Sec. School	Co-Operative Bank	1139304757800	20,266	117,041.00
Nzakame Ass. Chiefs Office	co-Operative Bank	1134810724700	1,767	200,775.00
Sangala Primary School	Co-Operative Bank	1139304888500	4,862.50	4,862.00
St. Mary's Kavole Primary School	Co-Operative Bank	1139304794800	900,696.50	134,296.00
AIC Kiuwani Primary School	Equity Bank Ltd	0720272298706	2,465.00	49,852.50
Kakeani Chief's Office	Equity Bank Ltd	0720271699288	180.55	488,480.55
Kalimani Primary School	Equity Bank Ltd	0720271771436	2,650.00	2,650.00
Kalinditi Primary School	Equity Bank Ltd	0720280490137	-	-
Kangii Primary School	Equity Bank Ltd	0720271495924	96.00	1,557.00
Kangungi Primary School	Equity Bank Ltd	0720266577103	2,252.00	2,252.00
Kasakini Primary School	Equity Bank Ltd	0720162485434	180.95	180.95
Kathivo Primary School	Equity Bank Ltd	0720266872482	214.63	125,154.63
Kitamwiki Primary School	Equity Bank Ltd	0720270553334	240.70	240.70
Kithumula Primary School	Equity Bank Ltd	0720271468490	54,839.00	13,045.00
Kitui West Environment PMC	Equity Bank Ltd	0720278214035	492.80	492.80
Kitui West NG-CDF Office Construction PMC	Equity Bank Ltd	0720272284375	0.00	464,659.02
Kivulu Primary School	Equity Bank Ltd	0720268442233	250,022.50	185.00

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kwa Mumo Assistant Chief's Office	Equity Bank Ltd	0720271682942	60.00	60.00
Kwa Mutonga Primary School	Equity Bank Ltd	0720266840973	1,239.00	1,239.00
Kwa Ndila Primary School	Equity Bank Ltd	0720271471358	0.00	(107.20)
Kwa Nyingi Primary School	Equity Bank Ltd	0720271475275	9.00	9.00
Kyaani Ap-Line	Equity Bank Ltd	0720271771765	2,380.30	2,380.30
Kyamutimba Primary School	Equity Bank Ltd	0720271487039	247.50	760.00
Kyondoni Ap-Line	Equity Bank Ltd	0720271501684	1,350.00	1,350.00
Kyondoni Primary School	Equity Bank Ltd	0720266791438	123.00	123.00
Maselele Primary School	Equity Bank Ltd	0720272223413	18,365.00	6,195.00
Matinyani AP-Line	Equity Bank Ltd	0720272300081	50.00	50.00
Matinyani DEB Primary School	Equity Bank Ltd	0720269970286	7.00	7.00
Matinyani Police Headquarters	Equity Bank Ltd	0720271611245	248,017.25	1,937.25
Mbuini Primary School	Equity Bank Ltd	0720266680975	18,005.00	18,005.00
Mikuyu Mikya Primary School	Equity Bank Ltd	0720267148948	1,706,093.00	6,633.00
Muthi Primary School	Equity Bank Ltd	0720262235179	16,253.00	49,983.00
Mwaani Primary School	Equity Bank Ltd	0720272734869	3,346.50	857,325.00
Mwangya Primary School	Equity Bank Ltd	0720266838732	46,915.05	145.00
Ndiuni Primary School	Equity Bank Ltd	0720271461312	55,751.50	2,141.00
Ndiuni Primary School-Mithumu Water line	Equity Bank Ltd	0720272150341	1,980.00	1,980.00
Nzinia Assistant Chief's Office	Equity Bank Ltd	0720271476099	301,095.00	21,275.00
Nzinia Primary School	Equity Bank Ltd	0720271458879	90.00	501,490.00
St. Peters Ngengekani sec. School	Equity Bank Ltd	0720271507722	4,809.50	52,856.00
Syokithumbi Ass. Chief	Equity Bank Ltd	0720281006638	1,249,550.00	-
Syokithumbi Primary School	Equity Bank Ltd	0720272986610	102.00	102.00
Uvaani Primary School	Equity Bank Ltd	0720279661760	500,137.50	75,737.50

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
ACC Mutonguni Office	Equity Bank Ltd	0720281006386	299,550.00	-
Iiani Ass. Chief Office	Equity Bank Ltd	0720264394266	710.00	168,335.00
Iiani Sec. School	Equity Bank Ltd	0720261924848	1,004,060.00	4,060.00
Ilako Mututa Sec. School	Equity Bank Ltd	0720269067354	116.55	1,953,930.55
Ivulya Muu Pri. School	Equity Bank Ltd	0720263880351	1,312.00	1,312.00
Kakumuti Primary School	Equity Bank Ltd	0720279815779	105,155.50	700,000.00
Kalia Ass. Chief Office	Equity Bank Ltd	0720264354786	4,505.00	200,175.00
Kalimbevo Ass. Chiefs Office	Equity Bank Ltd	0720277807449	203,512.00	3,512.00
Kalimbevo Primary School	Equity Bank Ltd	0720278860801	800,316.65	144,266.60
Kalindilo Primary School	Equity Bank Ltd	0720278947119	11,222.90	(95.25)
Kangii Ass. Chief Office	Equity Bank Ltd	0720279706234	1,917.50	500,000.00
Kangii mixed Secondary School	Equity Bank Ltd	0720261706671	1,702,142.50	47,202.50
Kangungi Ass. Chiefs Office	Equity Bank Ltd	0720278947398	4,868.15	4,868.15
Kasaini Chiefs Office	Equity Bank Ltd	0720278883438	235.00	66,635.00
Kasakini Ass. Chiefs Office	Equity Bank Ltd	0720277708637	3,329.50	3,329.50
Kasue Sec. School	Equity Bank Ltd	0720279105551	1,743,974.00	136,783.30
Katheka Ass. Chiefs Office	Equity Bank Ltd	0720279689102	29,035.00	37,039.00
Katheka Pri. School	Equity Bank Ltd	0720266577515	221.00	221.00
Katheuni Ass. Chiefs Office	Equity Bank Ltd	0720277679798	1,290.00	200,410.00
Katheuni Primary School	Equity Bank Ltd	0720263616886	837,835.50	54,588.00
Kathiani Pri. School	Equity Bank Ltd	0720266594159	1,065.00	1,065.00
Kauma Boys Sec. School	Equity Bank Ltd	0720279650270	840.00	2,498,985.00
Kauma Primary School	Equity Bank Ltd	0720277412584	477.50	477.50
Kauwi Primary School	Equity Bank Ltd	0720279706212	193.50	700,000.00
Kavonge Primary School	Equity Bank Ltd	0720278943535	712,707.50	12,707.50

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kiamani Primary School	Equity Bank Ltd	0720266621282	12,495.00	40.00
Kiatine Primary School	Equity Bank Ltd	0720279791743	120,250.70	1,000,000.00
Kiseveni Ass. Chiefs Office	Equity Bank Ltd	0720277701723	12,540.00	3,460.00
Kiseveni Pri. School	Equity Bank Ltd	0720263618863	850,667.00	667.00
Kitamwiki Sec. School	Equity Bank Ltd	0720261745160	702,162.50	2,342.50
Kiteeti River Sand Dam	Equity Bank Ltd	0720279870520	905.50	727,036.50
Kithuiani Ass. Chief Office	Equity Bank Ltd	0720277813750	26,413.50	227.50
Kithumula Ass. Chief Office	Equity Bank Ltd	0720278916490	2,290.00	2,290.00
Kithumula Sec. School	Equity Bank Ltd	0720262238009	121,608.50	2,620,465.50
Kitui West AP-Line	Equity Bank Ltd	0720272303207	707.00	707.00
Kitui West SCDE office	Equity Bank Ltd	0720279693685	437.50	100,000.00
Kitui West Sports PMC	Equity Bank Ltd	0720264789324	514.98	514.98
Kitumbi Pri. School	Equity Bank Ltd	0720277435637	622,527.50	22,507.50
Kitunduni Sec. School	Equity Bank Ltd	0720280631988	999,100.00	-
Kiukuni Primary School	Equity Bank Ltd	0720266580101	0.00	160,080.00
Kiumoni Pri. School	Equity Bank Ltd	0720278942633	864,807.00	64,807.00
Kivani Sec. Sch	Equity Bank Ltd	0720261712416	523.20	250,354.00
Kombu Primary School	Equity Bank Ltd	0720266696721	380.00	700,305.00
Komu Pri. School	Equity Bank Ltd	0720273326585	67,514.50	318,345.50
Kunikila Primary School	Equity Bank Ltd	0720277441184	7,130.50	89,030.50
Kutha Primary School	Equity Bank Ltd	0720266554360	1,925.00	1,925.00
Kwa Kitisya Pri. School	Equity Bank Ltd	0720273623849	4,031.00	69,553.20
Kwa Kyenza Bus Shade	Equity Bank Ltd	0720280941155	200,000.00	0
Kwa Mulungu Primary School	Equity Bank Ltd	0720279714711	30,830.50	600,000.00
Kwa Mumu Pri. School	Equity Bank Ltd	0720266564351	5,385.00	702,185.00

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kwa Musyimi Primary School	Equity Bank Ltd	0720279006584	4,790.00	4,790.00
Kwa Mutonga Chiefs Office	Equity Bank Ltd	0720279818237	43,724.00	700,000.00
Kwa Mutonga Police	Equity Bank Ltd	0720272165972	731.00	660,947.00
Kwa Mutonga Social Hall	Equity Bank Ltd	0720278596806	480.00	480.00
Kwa Mwambi Pri. School	Equity Bank Ltd	0720271463553	55,083.00	55,263.00
Kwa Mwambi Sec. School	Equity Bank Ltd	0720261733639	4,797.50	1,000,520.50
Kwa Ndonga Pri. School	Equity Bank Ltd	0720278938920	232.50	92,104.50
Kwa Ndonga Primary School	Equity Bank Ltd	0720279620884	45.10	39.40
Kyambevo Pri. School	Equity Bank Ltd	0720267134930	9,992.00	9,992.00
Kyambusya Pri. School	Equity Bank Ltd	0720271486688	199,805.00	199,805.00
Kyeng'e Primary School	Equity Bank Ltd	0720270060591	20.00	20.00
Kyeni Mixed Day Sec. School	Equity Bank Ltd	0720278873588	34.00	2,670.00
Kyondoni Mixed Sec. School	Equity Bank Ltd	0720261802255	13.40	341,552.40
Maaini Pri. School	Equity Bank Ltd	0720266850107	61,304.50	21,640.00
Makuue River Sand Dam	Equity Bank Ltd	0720279835753	43,330.50	726,939.00
Malatani Primary School	Equity Bank Ltd	0720266695927	6,365.00	53,132.50
Malukwete Pri. Sch	Equity Bank Ltd	0720266617928	1,990.00	1,990.00
Manzi Itumo Pri. School	Equity Bank Ltd	0720264382305	10,080.00	10,080.00
Manzi Itumo Sec. School	Equity Bank Ltd	0720277543432	359.35	700,744.35
Maseki Primary School	Equity Bank Ltd	0720279675645	72,780.27	201,030.00
Mavalo River Sand Dam	Equity Bank Ltd	0720279875376	33,392.00	726,940.00
Mbavae Primary School	Equity Bank Ltd	0720279691239	335.00	500,000.00
Mikuyu Mikya Secondary School	Equity Bank Ltd	0720261907383	55,026.00	6,828.50
Mithiikwani Pri. School	Equity Bank Ltd	0720277982814	25,784.50	518,254.50
Musosya Ass. Chief Office	Equity Bank Ltd	0720279665269	7,967.50	600,007.50

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Mutanda Mixed Sec. Sch	Equity Bank Ltd	0720279253843	6,230.50	77,428.00
Mutanda Primary School	Equity Bank Ltd	0720278885805	30.00	30.00
Muthamo Sec. Sch	Equity Bank Ltd	0720277783520	19,078.89	425.89
Mutonguni Chiefs Office	Equity Bank Ltd	0720278513495	511,016.40	11,016.40
Mutonguni Girls Sec. School	Equity Bank Ltd	0720261721677	7,350.75	250,179.75
Mutonguni Primary School	Equity Bank Ltd	0720279652359	507.50	700,037.50
Mutulu AP-Line	Equity Bank Ltd	0720277836155	116,984.50	116,984.50
Mutulu Sec. School	equity Bank Ltd	0720277716163	103,839.40	104,351.90
Ndolos Police Station	Equity Bank Ltd	0720278944706	4,192,469.00	1,754,899.00
Ngesu Primary School	Equity Bank Ltd	0720279805180	9.50	479,960.00
Ngomango Pri School	Equity Bank Ltd	0720278944306	2,102.00	800,880.00
Ngunguuni Primary School	Equity Bank Ltd	0720266579462	6,915.00	6,915.00
Nguuni Primary School	Equity Bank Ltd	0720266572906	200,075.00	75.00
Nyuani Primary School	Equity Bank Ltd	0720266565162	96.60	91.40
Nzakame Sec. School	Equity Bank Ltd	0720279628617	20,364.00	852,500.00
Nzemeli Pri. School	Equity Bank Ltd	0720266578066	4,710.00	4,710.00
St. Augustine Kasakini Sec. Sch	Equity Bank Ltd	0720279804686	79,790.00	1,500,000.00
St. Benedict Kwa Mutonga Sec. School	Equity Bank Ltd	0720277839317	52,057.00	46,860.00
Syokithumbi Chiefs Office	Equity Bank Ltd	0720269970048	19,698.85	157,701.35
Syomuitu Pri. School	Equity Bank Ltd	0720266700183	1,470.00	1,470.00
Tulia School for the Mentally	Equity Bank Ltd	0720278706750	2,997.50	2,997.50
Utoo Primary School	Equity Bank Ltd	0720271259673	9,464.00	9,464.00
Uvaani Primary School	Equity Bank Ltd	0720279661760	500,137.50	75,737.50
Yalatani Sec. School	Equity Bank Ltd	0720261980956	62.50	947,007.50
Katheuni Sec. School	Family Bank	072000027217	40.00	1,004,852.00

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Katutu Girls Sec. School	Family Bank	072000037830	3,191.00	98,840.00
Kalia Primary School	KCB	1258107430	9,435	56,787.00
Kithuiani Primary School	KCB	1210615096	47,522	42,522.00
Ngegekani Primary School	KCB	1200029771	1,120	1,120.00
Kangungi Mixed Sec. School	KCB	1257154737	1,096694	193,859.00
Kauwi Resource Centre	KCB	1178956377	2,619.25	117,585.00
Kwa Kitui Pri. School	KCB	1178401804	2,487.50	179,287.00
Kwa Silu Primary School	KCB	1179528026	3,275.50	3,275.00
Kyaani Girls Sec. School	KCB	1184521565	1,995	1,995.00
Kyambiwa Primary School	KCB	1257672924	1,273	1,399.00
Mithiikwani Sec. School	KCB	1148058915	6,163	6,163.00
Miwongoni Pri. School	KCB	1258199726	303,566	3,566.00
Mumbuni Pri. School	KCB	1178476480	363,315	3,315.00
Utoo Sec. School	KCB	1166461343	268,680	3,615.00
Emivia Primary School	National Bank Of Kenya	01024128680700	-	-
Kalinditi Primary School	National Bank Of Kenya	01024100620500	1,255.00	1,255.00
Kaluni Primary School	National Bank Of Kenya	01024128609600	1,048.00	1,048.00
Kasue Primary School	National Bank Of Kenya	01024100619200	11,280.00	11,280.00
Kyeni Primary School	National Bank Of Kenya	01024132044600	654.00	654.00
Mangelu Primary School	National Bank Of Kenya	01024117833700	1,286.00	1,286.00
Mavalo Primary School	National Bank Of Kenya	01024132031700	780,930.00	111,203.00
Misyini Primary School	National Bank Of Kenya	01024128692900	119,240.00	119,240.00
Muthale Primary School	National Bank Of Kenya	01024117829800	400.00	400.00
St. Patricks Kalindilo Secondary School	National Bank Of Kenya	01020100625400	83.87	5,767.00
Ukuni Primary School	National Bank Of Kenya	01024117802900	360.00	(360.00)

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Iiani Pri. School	National Bank Of Kenya	010241178996000	4,785.00	4,785.00
Kakeani Primary School	National Bank Of Kenya	01024117898100	2,915.00	1,011,945.00
Kakeani Sec. School	National Bank Of Kenya	01022217594000	22,500.00	68,927.50
Kakeani Sec. School	National Bank Of Kenya	010020069347200		-
Kakumi Pri. School	National Bank Of Kenya	01024117809500	52,203.40	52,203.40
Kakumuti Sec. School	National Bank Of Kenya	01020090184800	1,999,333.50	-
Kataa Primary School	National Bank Of Kenya	01281068414500	-	-
Kathuma Pri. School	National Bank Of Kenya	01024117827200	4,620.00	4,620.00
Kavoo Pri. School	National Bank Of Kenya	01024117804000	10,665.00	10,565.00
Kikanga Primary School	National Bank Of Kenya	01024128664600	824.00	824.00
Kilimu Pri. School	National Bank Of Kenya	01024128692600	1,030.00	1,030.00
Kithunzi Primary School	National Bank Of Kenya	01022211385100	-	-
Kithunzi Primary School	National Bank Of Kenya	01022211385100	555.00	555.00
Kivani DEB Primary School	National Bank Of Kenya	01024128679300	402,265.00	1,002,115.00
Kwa Mukoo Pri. School	National Bank Of Kenya	01022206718800	1,000.00	1,345.00
Kwa Musyimi Primary School	National Bank Of Kenya	01024128680400	300.00	
Kyondoni Girls' Sec. School	National Bank Of Kenya	01022204441600	1,701,630.00	2,001,630.00
Matinga Pri. School	National Bank Of Kenya	01024128679800	250.00	230.00
Mbavae Primary School	National Bank Of Kenya	01022216014800	0	5,767.00
Musengo Primary School	National Bank Of Kenya	01024100620600	356.00	356.00
Musengo Secondary School	National Bank Of Kenya	01025123066900	3,145	3145
Mutini Pri. School	National Bank Of Kenya	01024117800900	88.23	88.23
Ngongu Primary School	National Bank Of Kenya	01022216410400	5,375	5,375
St. Francis of Assisi Sec. School	National Bank Of Kenya	0102153385300	695.68	696
St. Johns Kwa Mulungu Sec. School	National Bank Of Kenya	025123077000	24,414.50	71,676

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
St. Josephs Musosya	National Bank Of Kenya	01025123070100	1,501,470.00	-
St. Michael Kavumbu Sec. Sch	National Bank Of Kenya	01025123048100	63,890.50	1,870
St. Philips Mutini Sec. School	National Bank Of Kenya	01025117817900	50,481.00	6,601
Total			36,661,590.30	43,636,809.43

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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)
1.1	<p>The summary statement of appropriation: recurrent and The development combined reflects actual transfers from NG-CDF Board and other receipts of Kshs.134,353,905 and Kshs.173,000 respectively. However, the statement of receipts and payments shows Kshs.123,040,876 and Kshs.39,000 on the two accounts respectively. The resultant differences of Kshs.11,313,029 and Kshs.134,000 for transfers from NG-CDF Board and other receipts respectively have not been explained.</p>	<p>The differences in question of Kshs. 11,313,029 and Kshs. 134,000 equals Kshs. 11,447,029 which was the opening balance at the beginning of the financial year as per note 13.</p> <p>The item, other receipts on the Appropriation Statement relate to AIA where the fund had an opening balance of Kshs. 134,000 and had collected Kshs. 39,000 during the year making a total of Kshs. 173,000.</p>	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)
1.2	Guidance notes on the summary statement of appropriation: recurrent and development combined, budget execution by programmes and sub-programmes, note 10A, 11, 12A, 12B and 13 have not been removed.	<i>The guidance notes have been removed. (Appendix 1)</i>	Resolved	
1.4	The statement of cash flows reflects disclosure Note 9 against acquisition of assets figure instead of the correct reference of Note 8.	<i>The error has been corrected. (Appendix 2)</i>	Resolved	