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REPORT

THE NATIONAL ASSEMBLY
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OF DATE: 01 MAR 2023 DAY: Wednesday

TABLED
BY:

Majority Party Whip

THE AUDITOR-GENERAL

Finlays Mwangi

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MACHAKOS TOWN CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2021



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

05 AUG 2022

RECEIVED



MACHAKOS TOWN 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)

***Machakos Town 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

**Machakos Town Constituency
National Government Constituencies Development Fund (NGCDF)
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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 Machakos Town 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	Paul K. Mugwe
2.	Sub-County Accountant	Rose Ileri
3.	Chairman NG-CDFC	Sylvester M. Mumo
4.	Secretary NG-CDFC	Jacinta K. Mulwa

(d) Fiduciary Oversight Arrangements

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

P.O. Box 2521-90100
Machakos Town CDF Building
Utalii road
Machakos.

Machakos Town Constituency NGCDF Contacts

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

Telephone: (254) 721 609 815 / (254) 722167753
E-mail: cdfmachakostown@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) Machakos Town Constituency NGCDF Bankers

Equity Bank (Machakos Town)
Machakos Branch
P.O Box 2521-90100
Machakos, Kenya

(g) Independent Auditors

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

(h) 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

I have the pleasure to forward the financial statements of NG-CDF Machakos Town Constituency for the financial year 2020/2021 which represents a true record of the activities undertaken within the year.

The key achievement for NG-CDFC Machakos town constituency was being able to utilise pending balances from the previous financial year ending 30th June 2020 plus balances of the previous financial year ending 30th June 2019 within a short period of time. This was as a result of proper cooperation through teamwork within the NG-CDFC, the F.A.M, Treasury, Office staff and the beneficiaries.

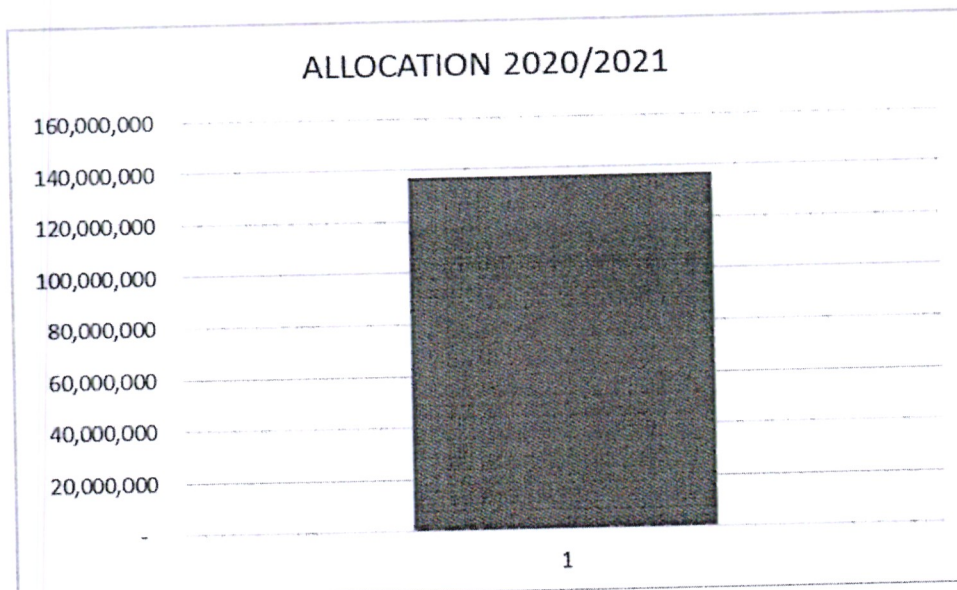
However, there have been emerging issues affecting project implementation namely:

1. Political issues.
2. Economic issues.
3. Legal issues.
4. Social issues.
5. Global challenges.
6. Late disbursement of funds.
7. Late approval of reallocations.
8. Late approval of project proposals.
9. Covid-19 Epidemic

Some of these challenges require situational decisions and co-operation with stakeholders as well as sound guidelines. Timely disbursement of approved funds and reallocation is paramount for better performance.

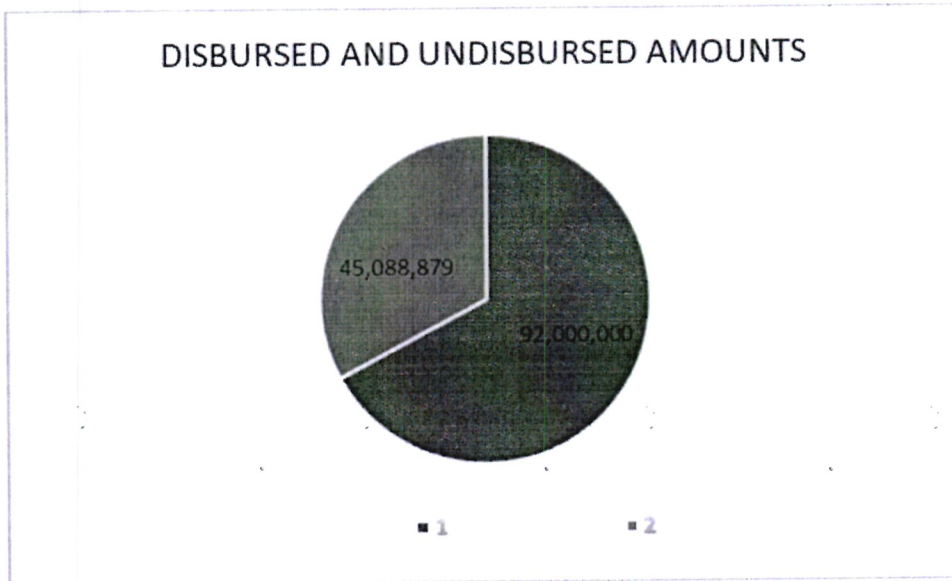
The NG-CDFC Machakos Town is happy with the fund and would like to thank the Board for its efforts.

During the financial year 2020-2021, the Constituency was allocated a total of Kshs 137, 088, 879 as normal allocation.



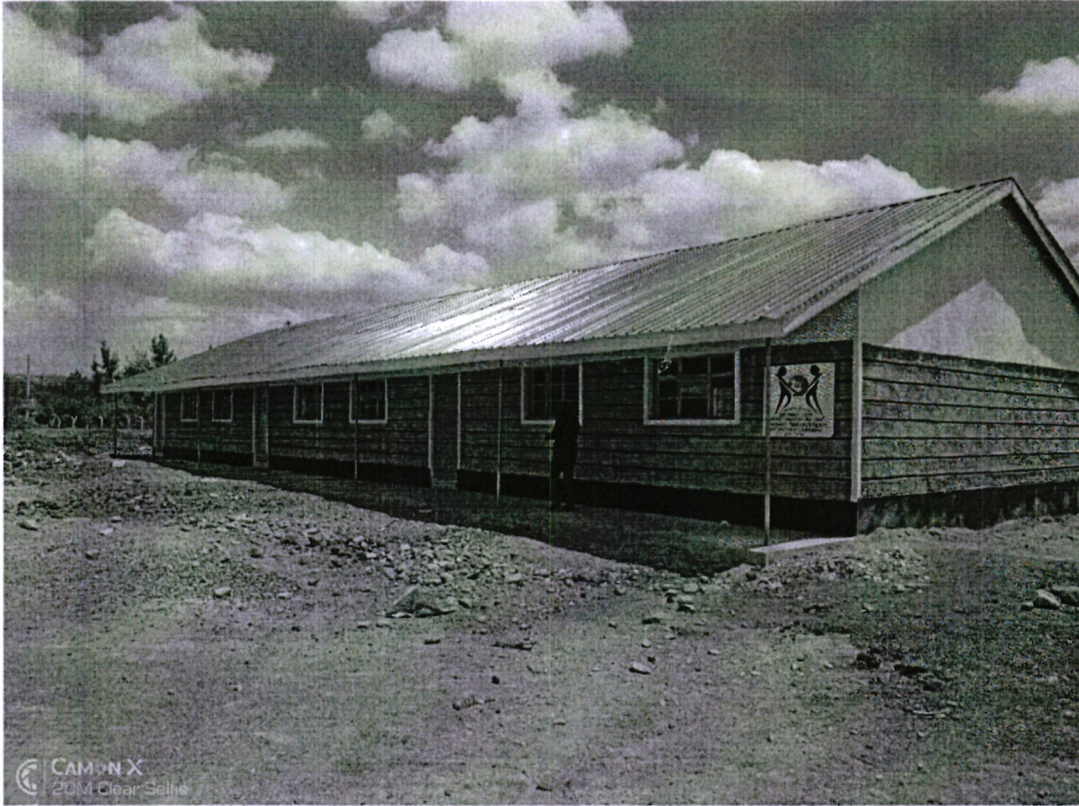
**Machakos Town Constituency
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On receipt of the above allocation, Machakos Town National Government Constituencies Development Fund Committee (NGCDFC) pursuant to the provisions of the National Government CDF Act 2015, amended in 2016, met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency. It is noteworthy that during the FY 2020/2021, we received 67% of the normal Constituency funding equivalent to Kshs 92,000,000.00 and Kshs 69,367,724 which was an allocation for the financial year 2019/2020 but was received in after the close of the financial 2019/2020 hence spilled to financial year 2020/2021. At the close of financial year 2020/2021 we had undisbursed allocation of Kshs 45,000,000 from normal funding which had not been received from NG-CDF Board.



Achievements and Major Undertakings

During the year, Major physical facilities funded are infrastructure such as classrooms, administration blocks, laboratories, dormitories and toilets. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary and secondary whilst increasing retention and transition rates while equally reducing the burden of education for low-income families. Other projects are complete while others are expected to be completed in the FY 2021/2022. Provided below are sample photos of projects undertaken in the constituency for the financial year 2020/2021



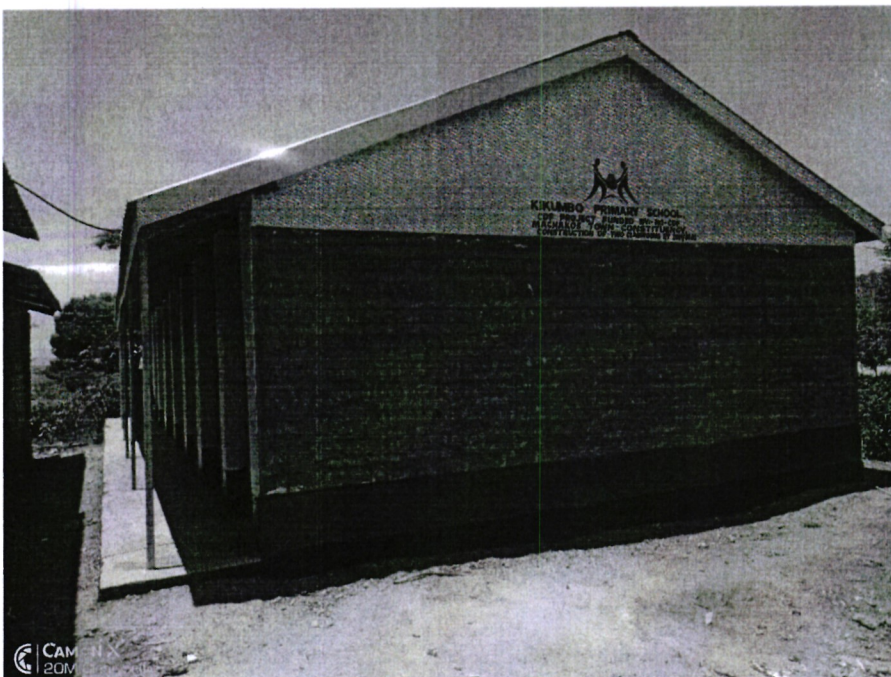
Uiini primary school -construction of 3 classrooms



Kathaayoni primary school – construction of 8 door pit toilet to completion



Metuma secondary school – construction of 8 door pit toilets to completion



Kikumbo primary school-renovation of 3 classrooms



Katelembo Boys Centre of Excellence-Final instalment for school bus purchase -Ksh 1,000,000



Yakamete Primary School – Renovation of 3 classrooms

Sign

A handwritten signature in blue ink, consisting of a large, sweeping arch over the letters 'SM', which likely stand for Sylvester M. Mumo.

Sylvester M. Mumo

CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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 *Machakos Town Constituency 2018-2022* plan are to:

- a) To activate development activities at the constituency level in order to reduce poverty
- b) To promote equity sharing of national resources
- c) To reduce imbalances in regional development
- d) To provide opportunities for local communities to get involved in development in project planning, identification, implementation and monitoring

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 build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	<p>In FY 20/21 NG-CDF Mks town bought two 51-seater school buses, renovated and built classrooms and dormitories in thirty secondary schools and forty-five primary schools.</p> <p>- Bursary beneficiaries at all levels were 19,130 needy and bright students.</p>
Security	To improve security infrastructure in the constituency	Better working conditions for people working in the security sector	Number of security structures constructed or renovated	In F/Y 2020-21 NG-CDF funded five security projects either to complete, construct and

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				renovate chiefs , assistant and deputy county commissioners offices
Environment	To have good environment by planting trees	Providing a better and healthy place to live	Number of trees planted	In F/Y 2020-21 the office conjunction with 10 schools disbursed funds to purchase 1,000 seedlings for planting within the school's premises
Emergency	Cater for any unforeseen occurrences in the constituency	Give quick assistance when unforeseen occurrences occur	Number of emergency projects undertaken	In F/Y 2020-21 the office funded seven emergency projects which included construction of classroom and sunken toilets due to heavy rains

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Machakos town 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

In the F/Y 2020-21 NG-CDF Machakos Town disbursed funds to ten schools which include Machakos Primary School, Miwongoni Secondary School, Mikuyu Primary School, Kaseve Primary School, Kyaani Primary School, Iiyuni Primary School, Love Primary School, Kivandini Secondary School, Miwani Secondary School and Kavyuni Primary School for the Purchase of 1,000 seedlings at KShs 50 /= each for planting within the school premises.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Machakos Town 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-

MACHAKOS TOWN 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-

MACHAKOS TOWN 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.

Machakos Town Constituency

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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.

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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


The Accounting Officer in charge of the NGCDF-MACHAKOS TOWN 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-MACHAKOS TOWN 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- MACHAKOS TOWN 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 MACHAKOS TOWN 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- MACHAKOS TOWN Constituency financial statements were approved and signed by the Accounting Officer on 02/07/2022



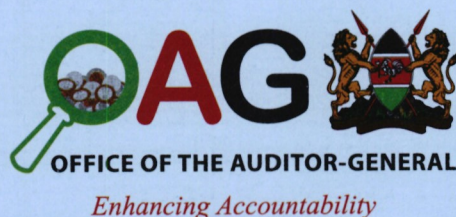
Chairman NGCDF Committee
Name: Sylvester M. Mumo



Fund Account Manager
Name: Bungale Masudi

REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MACHAKOS TOWN 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 - Machakos Town Constituency set out on

pages 18 to 68, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Machakos Town Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflects cash and cash equivalents balance of Kshs.47,668,261. However, review of the bank reconciliation statements revealed that unrepresented cheques totalling to Kshs.303,000 were stale but had not been reversed in the cashbook or replaced.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.47,668,261 could not be confirmed.

2. Unsupported Projects' Expenditure

The statement of receipts and payments reflects other grants and transfers of Kshs.49,153,000 as disclosed in Note 7 to the financial statements. The statement also reflects transfers to other Government units of Kshs.56,800,000 as disclosed in Note 6 to the financial statements. The expenditure was for various projects during the year.

However, projects amounting to Kshs.22,500,000 did not have supporting documents such as notification of unsuccessful bidders, professional opinion, signed contract and completion certificates.

Further, an amount of Kshs.4,100,000 for emergency projects was not supported by a report to the National Government Constituencies Development Fund Board.

In addition, the expenditure includes an amount of Kshs.1,200,000 and Kshs.1,000,000 disbursed to Katelembo Secondary School and Kyambuko Secondary School respectively, both totalling to Kshs.2,200,000 relating to final instalment for the purchase of school buses. However, the log books were not provided for audit.

In the circumstances, the completeness, accuracy and regularity of the expenditure amounting to Kshs.28,800,000 could not be confirmed.

3. Unsurrendered Imprests

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects use of goods and services amount of Kshs.15,342,552. However, included in this amount are imprests totalling to Kshs.2,565,000 issued to officers for various official duties but had not been surrendered.

In the circumstances, the completeness, accuracy, and propriety of the outstanding imprest of Kshs.2,565,000 could not be confirmed.

4. Unsupported Project Management Committee Account Balances

Disclosure Note 17.4 and Annex 5 to the financial statements reflects the Project Management Committee (PMC) bank accounts balances of Kshs.40,628,543. However, the balance includes seven (7) account balances totalling to Kshs.5,123,671 whose certificate of balances were not provided for audit. Further, the balance includes an amount totalling to Kshs.11,161,325 relating to accounts of fifteen (15) projects which had been completed but the unspent amounts had not been transferred to main Constituency fund bank account. This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015, which stipulates that all unutilized funds of the Project Management Committee to be returned to the Constituency bank account.

In the circumstances, the regularity, accuracy and completeness of the Project Management Committee bank account balances of Kshs.5,123,671 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Machakos Town 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

1. Budgetary Control and Performance

The summary statement of appropriation reflects a final receipts budget and actual amounts on comparable basis of Kshs.215,124,017 and Kshs.169,535,137 respectively resulting to an under-funding of Kshs.45,588,880 or 21% of the budget. Similarly, the Fund spent Kshs.123,393,292 against approved budget of Kshs.215,124,016 resulting to under-expenditure of Kshs.91,730,724 or 43% of the budget.

The under-funding and under-absorption implies that some of the planned projects and programmes were not implemented which may have negatively impacted on effective service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not disclosed or resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: No. AG.4/16/2 Vol.3(72) of 30 June, 2021.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Delayed Completion of Projects

Review of Project Implementation Status report revealed that an amount of Kshs.83,278,956 was allocated for implementation of seventy-eight (78) projects, out of which eight (8) projects valued at Kshs.7,200,000 were completed, twelve (12) projects valued at Kshs.37,028,956 were ongoing while the remaining fifty-eight (58) projects valued at Kshs.39,050,000 had not started.

Further, Management delayed the release of emergency funds to Mulaani Primary School amounting to Kshs.1,400,000 for the construction of two (2) classrooms and to Kamua Primary School for the construction of two (2) toilets at an amount of Kshs.500,000 by about four (4) months after approval by the National Government Constituencies Development Fund Board.

In the circumstances, the value for money for the above projects could not be confirmed.

2. Unsatisfactory Implementation of Projects

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other Government units of Kshs.56,800,000 includes Kshs.700,000 and Kshs.2,100,000 for renovation of three (3) classrooms at Katoloni Secondary School and construction of two (2) classrooms at Ulini Primary School respectively both totalling to Kshs.2,800,000. However, physical inspection conducted in

April, 2022 revealed cracks on the floors and paintings on the walls peeling off for renovated classrooms at Katoloni Secondary School and cracks on the floors and steel columns supporting the roof were of 2 inches instead of 3 inches as per bill of quantities for Ulini Primary School.

In the circumstances, the regularity and value for money of expenditure of Kshs.2,800,000 on the Projects could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of


effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

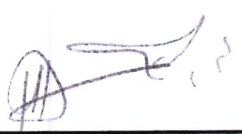

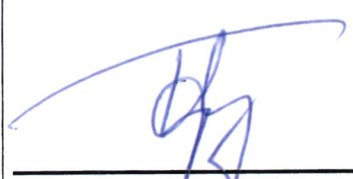
09 September, 2022

**Machakos Town 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
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	128,640,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		161,367,724	128,640,876
PAYMENTS			
Compensation of employees	4	2,097,740	2,853,309
Use of goods and services	5	15,342,552	3,593,363
Transfers to Other Government Units	6	56,800,000	61,873,897
Other grants and transfers	7	49,153,000	56,913,958
Acquisition of Assets	8	-	43,130
Other Payments	9	-	4,116,588
TOTAL PAYMENTS		123,393,292	129,394,245
SURPLUS/DEFICIT		37,974,432	(753,369)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MACHAKOS TOWN Constituency financial statements were approved on 03/08/2021 and signed by:

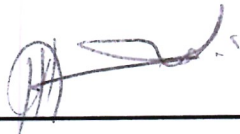
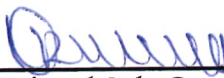
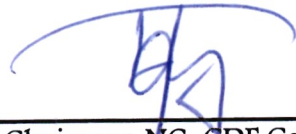
		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: BUNGALE MASUDI	Name: ROSE IRERI	Name: SYLVESTER MUMO
	ICPAK M/No: 18138	

Machakos Town 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	47,668,261	8,167,413
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		47,668,261	8,167,413
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		47,668,261	8,167,413
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL ASSETS		47,668,261	8,167,413
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	8,167,413	6,920,782
Prior year adjustments	14	1,526,416	2,000,000
Surplus/Defict for the year		37,974,432	(753,369)
NET FINANCIAL POSITION		47,668,261	8,167,413

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MACHAKOS TOWN Constituency financial statements were approved on 05/07/2021 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: BUNGALE MASUDI	Name: ROSE IRERI	Name: SYLVESTER MUMO
	ICPAK M/No: 18138	

Machakos Town Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021
STATEMENT OF CASHFLOW


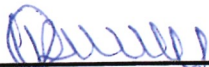
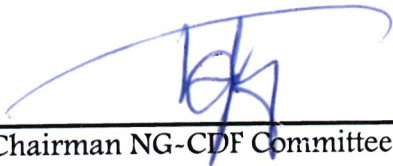
		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	128,640,876
Other Receipts	3	-	-
		161,367,724	128,640,876
Payments for operating activities			
Compensation of Employees	4	2,097,740	2,853,309
Use of goods and services	5	15,342,552	3,593,363
Transfers to Other Government Units	6	56,800,000	61,873,897
Other grants and transfers	7	49,153,000	56,913,958
Other Payments	9	-	4,116,588
		123,393,292	129,351,115
Adjusted for:			
Decrease/ (Increase) in Accounts receivable	15	-	-
Increase/ (Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	1,526,416	2,000,000
Net Adjustments		1,526,416	2,000,000
Net cash flow from operating activities		39,500,848	1,289,761
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(43,130)
Net cash flows from Investing Activities		-	(43,130)
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	10	8,167,413	6,920,783
Cash and cash equivalent at END of the year		47,668,261	8,167,413

Machakos Town Constituency

National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for The Year Ended June 30, 2021

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MACHAKOS TOWN Constituency financial statements were approved on 21/07/2022 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: BUNGALE MASUDI	Name: ROSE IRERI	Name: SYLVESTER MUMO
	ICPAK M/No: 18138	

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS			Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	8,167,413	69,867,724	215,124,017	169,535,137	45,588,879	78.8%
Proceeds from Sale of Assets				0	-	-	
Other Receipts				0	-	-	
TOTAL RECEIPTS	137,088,879	8,167,413	69,867,724	215,124,017	169,535,137	45,588,879	78.8%
PAYMENTS							
Compensation of Employees	2,113,600			2,113,600	2,097,740	15,860	99.2%
Use of goods and services	10,224,400	6,200,000		16,424,400	15,342,552	1,081,848	93.4%
Transfers to Other Government Units	58,649,000	688,517	65,600,000	124,937,517	56,800,000	68,137,517	45.5%
Other grants and transfers	62,601,879		4,267,724	66,869,603	49,153,000	17,716,603	73.5%
Acquisition of Assets	3,500,000	1,278,896		4,778,896	-	4,778,896	0.0%
TOTAL	137,088,879	8,167,413	69,867,724	215,124,016	123,393,292	91,730,724	57.4%

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

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

There was NIL AIA revenue.

(b) *[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]*



- i. Transfer to other government units utilization is at 45.5% due to amounts yet to be disbursed by the NG-CDF board
- ii. Other grants and transfers utilization is at 73.5% due to late disbursement from the NG-CDF Board
- iii. Acquisition of Assets utilisation was 0% as no assets were acquired in the F/Y 2020/21.

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

iv.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	91,730,724
Less undisbursed funds receivable from the Board as at 30th June 2021	45,588,879
Add Accounts payable	46,141,845
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	1,526,416
Cash and Cash Equivalents at the end of the FY 202021	47,668,261

The NGCDF-MACHAKOS TOWN Constituency financial statements were approved on 05/06/2021 and signed by:

	
Fund Account Manager	Chairman NG-CDF Committee
Name: BUNGALE MASUDI	Name: SYLVESTER MUMO
	National Sub-County Accountant
	Name: ROSE IRERI
	ICPAK M/No: 18138

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30-06-21 Kshs	Budget utilization difference
		Opening balance (cash book & AIA)	Previous years outstanding disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,113,600			2,113,600	2,097,740	15,860
1.2 Committee allowances	2,228,000	567,325		2,795,325	2,671,550	123,775
1.3 Use of goods and services	3,883,733	2,286,160		6,169,893	5,934,034	235,859
				-		-
2.0 Monitoring and evaluation				-		-
2.1 Capacity building	1,850,000	4,075,032		5,925,032	5,739,298	185,734
2.2 Committee allowances	1,560,000			1,560,000	298,400	1,261,600
2.3 Use of goods and services	702,666			702,666	699,270	3,396
						-
3.0 Emergency						-
3.1 Primary Schools	3,300,000			3,300,000	3,300,000	-
3.2 Secondary schools						-
3.3 Tertiary institutions						-

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

3.4 Security projects	800,000			800,000	800,000	-
4.0 Bursary and Social Security	3,092,207			3,092,207	3,092,207	-
4.1 Primary Schools	-			-	-	-
4.2 Secondary Schools	30,948,000			30,948,000	30,948,000	-
4.3 Tertiary Institutions	10,561,673			10,561,673	10,255,000	306,673
4.4 Universities	-			-	-	-
4.5 Social Security	-			-	-	-
5.0 Sports						
5.1 Constituency sports tournament	1,500,000			1,500,000	1,500,000	-
6.0 Environment						
Kakinduni Primary School	50,000			50,000	50,000	50,000
Kamweleni Primary school	50,000			50,000	50,000	50,000
Katelembo Boys Centre of excellence	50,000			50,000	50,000	50,000
Kiatuni Secondary School	50,000			50,000	50,000	50,000
Kivutini Primary School	50,000			50,000	50,000	50,000
Machakos Baptist Secondary School	50,000			50,000	50,000	50,000

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

Mikono Primary School	50,000			50,000		50,000
Uiini Primary School	50,000			50,000		50,000
Vota Primary School	50,000			50,000		50,000
Yakamete Primary School	50,000			50,000		50,000
Machakos Primary School			50,000	50,000	50,000	-
Miwongoni Secondary School			50,000	50,000	50,000	-
Mikuyu Primary School			50,000	50,000	50,000	-
Kaseve Primary School			50,000	50,000	50,000	-
Kyaani Primary School			50,000	50,000	50,000	-
Iiyuni Primary School			50,000	50,000	50,000	-
Love Primary School			50,000	50,000	50,000	-
Kivandini Secondary School			50,000	50,000	50,000	-
Miwani Secondary School			50,000	50,000	50,000	-
Kavyuni Primary School			50,000	50,000	50,000	-
				-		-
7.0 Primary Schools Projects				-		-
Ianzoni Primary School	500,000			500,000		500,000
Iiani primary school	750,000			750,000		750,000
Iiyuni Primary School	500,000			500,000		500,000

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

Kamuthanga Primary School	500,000			500,000	500,000
Kamweleni Primary School	1,000,000			1,000,000	1,000,000
Kasinga Primary School	1,000,000			1,000,000	1,000,000
Katanga Primary School	750,000			750,000	750,000
Kathianioni Primary School	1,000,000			1,000,000	1,000,000
Katoloni primary school	1,000,000			1,000,000	1,000,000
Kiangini Primary School	1,000,000			1,000,000	1,000,000
Kitonyini Primary School	1,000,000			1,000,000	1,000,000
Kiuu Primary School	500,000			500,000	500,000
Kivandini Primary School	750,000			750,000	750,000
Kyandili Primary School	500,000			500,000	500,000
Kyangala Township Primary School	1,000,000			1,000,000	1,000,000
Kyeni Primary School	500,000			500,000	500,000
Makaveti Primary School	1,000,000			1,000,000	1,000,000
Makyou Primary School	750,000			750,000	750,000
Mikono Primary School	750,000			750,000	750,000
Mumbuni Primary School-Kalama	500,000			500,000	500,000
Muthumo Primary School	600,000			600,000	600,000
Muumandu Primary School	500,000			500,000	500,000

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

Ngelani primary school	500,000				500,000		500,000	500,000
Township Muslim Primary School	500,000				500,000		500,000	500,000
Uiini Primary School	750,000				750,000		750,000	750,000
Uiini Primary School	500,000				500,000		500,000	500,000
Kyasila Primary School	7,162,250				7,162,250	4,682,276	2,479,974	2,479,974
Kimutwa Primary School				500,000	500,000	500,000	-	-
Kisueni Primary School				500,000	500,000	500,000	-	-
Kyamuthinza Primary School				500,000	500,000	500,000	-	-
Malooni Primary school				900,000	900,000	900,000	-	-
Muthini Primary School				500,000	500,000	500,000	-	-
Ulaani Primary School				500,000	500,000	500,000	-	-
Kamuthanga Primary School				500,000	500,000	500,000	-	-
Kathaayoni Primary School				700,000	700,000	700,000	-	-
Kivandini Primary School				750,000	750,000	750,000	-	-
Kyanguli Primary School				500,000	500,000	500,000	-	-
Mikono Primary School				1,500,000	1,500,000	1,500,000	-	-
Mua Farm Primary School				1,800,000	1,800,000	1,800,000	-	-
Mutituni S.A Primary School				750,000	750,000	750,000	-	-
Uiini Primary School				2,100,000	2,100,000	2,100,000	-	-

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

Yakamete Primary School				800,000	800,000	800,000	-
Kamweleni Primary School				500,000	500,000	500,000	-
Kasinga Primary School				2,000,000	2,000,000	2,000,000	-
Kathese Primary School				700,000	700,000	700,000	-
Kithima Primary School				500,000	500,000	500,000	-
Kivani primary school				700,000	700,000	700,000	-
Kivutini Primary School				500,000	500,000	500,000	-
Konza Primary School				750,000	750,000	750,000	-
Kusyomuomo Primary School				750,000	750,000	750,000	-
Kwa Kitaa Primary School				500,000	500,000	500,000	-
Kyangala Primary School				750,000	750,000	750,000	-
Machakos Primary School				500,000	500,000	500,000	-
Makaveti Primary School				600,000	600,000	600,000	-
Mbukoni Primary School				700,000	700,000	700,000	-
Mbusyani Primary School				500,000	500,000	500,000	-
Minyalala Primary School				500,000	500,000	500,000	-
Misakwani Primary School				500,000	500,000	500,000	-
St. Francis Kavovi Primary School				700,000	700,000	700,000	-
Ivutini Primary School				500,000	500,000	500,000	-

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

Kasaini Primary School			800,000	800,000	800,000	-
Katheka kai Primary School			750,000	750,000	750,000	-
Keaa Primary School			500,000	500,000	500,000	-
Kyambuko Primary School			500,000	500,000	500,000	-
Kyasila Primary School			600,000	600,000	600,000	-
Mang'auni primary school			600,000	600,000	600,000	-
Mbevo Primary School			500,000	500,000	500,000	-
Mikuini Primary School			600,000	600,000	600,000	-
Miwani Primary School			500,000	500,000	500,000	-
St. Johns Academy Primary School			800,000	800,000	800,000	-
				-		-
				-		-
8.0 Secondary Schools Projects						
Ikokani Secondary School	1,000,000			1,000,000	1,000,000	-
Ikokani Secondary School	500,000			500,000	500,000	500,000
Iluvyu Secondary school	1,000,000			1,000,000	1,000,000	1,000,000
Kamweleni Secondary School	1,000,000			1,000,000	1,000,000	1,000,000
Katelembo Boys Centre of Excellence Secondary School	1,200,000			1,200,000	1,200,000	-
Katheka Kai Secondary School	500,000			500,000	500,000	-
Kiseveni Secondary School	1,000,000			1,000,000	1,000,000	1,000,000

**National Government Constituencies Development Fund (NGCDF)
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Kiteini Secondary School	7,162,250				7,162,250		7,162,250
Kithima Secondary School	1,000,000				1,000,000		1,000,000
Kyambuko Secondary School	1,000,000				1,000,000		1,000,000
Kyasila Secondary School	500,000				500,000		500,000
Kyeni Secondary School	7,162,250				7,162,250		7,162,250
Mumbuni Girls High School	1,000,000				1,000,000		1,000,000
Mutituni S.A Secondary School	500,000				500,000		500,000
Vota Secondary School	7,162,250				7,162,250		7,162,250
ABC Iveti Hills Secondary School				1,000,000	1,000,000	1,000,000	-
Ikokani Secondary School				1,500,000	1,500,000		1,500,000
Kaseve Secondary School				1,000,000	1,000,000	1,000,000	-
Machakos Secondary School for the Deaf				500,000	500,000	500,000	-
Mua Farm secondary school				1,000,000	1,000,000	1,000,000	-
Ngelani Sec.School				700,000	700,000	700,000	-
Kasinga Secondary School				6,800,000	6,800,000		6,800,000
Kiima Kimwe Secondary School				500,000	500,000	500,000	-
Kikumbo Secondary School				6,800,000	6,800,000		6,800,000
Kitonyini Secondary School				1,000,000	1,000,000	1,000,000	-
Kyanda Secondary School				700,000	700,000	700,000	-

**National Government Constituencies Development Fund (NGCDF)
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Kyanguli Secondary School			1,500,000	1,500,000	1,500,000	-
Kyasila Secondary school			1,000,000	1,000,000	1,000,000	-
Mbukuni Secondary School			800,000	800,000	800,000	-
Miwongoni Secondary School			900,000	900,000	900,000	-
Mua Hill Girls high School			700,000	700,000	700,000	-
Mutuyu Secondary School			700,000	700,000	700,000	-
Upper Kitanga Secondary School			700,000	700,000	700,000	-
Kanyongo Secondary School			500,000	500,000	500,000	-
Katoloni Secondary School			700,000	700,000	700,000	-
Katamani Secondary School			700,000	700,000	700,000	-
Kitulu Secondary School			500,000	500,000	500,000	-
Kyasila Secondary school			1,800,000	1,800,000	1,800,000	-
Muvuti Boys High School			1,000,000	1,000,000	1,000,000	-
Ngomeni Secondary School			1,000,000	1,000,000	1,000,000	-
				-		-
				-		-
9.0 Tertiary institutions Projects				-		-
Kalama Technical Training Institute	1,200,000			1,200,000	1,200,000	1,200,000
				-		-
10.0 Security Projects				-		-

**National Government Constituencies Development Fund (NGCDF)
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Assistant County Commissioners office Kalama Division Social Hall	2,000,000			2,000,000		2,000,000
Kyaani Assistant Chiefs Office	700,000			700,000		700,000
Kyemutheke A.P Lines	800,000			800,000		800,000
Machakos Central Chiefs office Social Hall	2,000,000			2,000,000		2,000,000
Machakos County Police Headquarters	1,000,000			1,000,000		1,000,000
Machakos Traffic Unit Offices	700,000			700,000		700,000
Mutituni Division Assistant County Commissioners office	2,000,000			2,000,000		2,000,000
Ngelani Locational Chiefs Office	700,000			700,000		700,000
Vota Division - Assistant county Commissioners office	2,000,000			2,000,000		2,000,000
Assistant county Commissioners office – Kalama Division.		1,500,000		1,500,000	1,500,000	-
Mbilini Assistant Chiefs Office		250,000		250,000	250,000	-
Mungala Assistant Chiefs Office		500,000		500,000	500,000	-
Kiima Kimwe Police Post		1,000,000		1,000,000		1,000,000
Mwanyani Assistant Chiefs Office		517,724		517,724	517,724	-
				-		-
				-		-
11.0 Acquisition of assets	-	1,238,896		1,238,896		1,238,896
				-		-
				-		-
12.0 Others				-		-
New NG-CDFC Office Equipping	2,500,000			2,500,000		2,500,000

**National Government Constituencies Development Fund (NGCDF)
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NG-CDFC Office Electric fencing and CCTV installation	1,000,000				1,000,000		1,000,000
Funds pending approval					-		-
Ivumbini Primary School			500,000		500,000		500,000
TOTAL	137,088,879	8,167,413	69,867,724	215,124,016	123,393,292	91,730,724	

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-MACHAKOS TOWN 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.

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

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where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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.

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
	B047134		5,600,000
Normal Allocation	B047243		45,040,876
	B047331		10,000,000
	B041115		4,000,000
	B047603		20,000,000
	B047962		6,000,000
	B049362		14,000,000
	B096527		15,000,000
	B096601		9,000,000
	B104704	20,000,000.00	
	A823668	35,000,000.00	
	B104824	14,367,724.00	
	B124596	9,000,000.00	
	B119550	8,500,000.00	
	B119940	12,000,000.00	
	B128182	6,900,000.00	
	B128495	7,000,000.00	
	B132238	6,000,000.00	
	B138906	12,000,000.00	
	B126200	7,000,000.00	
	B126495	11,600,000.00	
	B140638	12,000,000.00	
Conditional Grants	AIE NO...		
Receipt from other Constituency			
TOTAL		161,367,724	128,640,876

2. PROCEEDS FROM SALE OF ASSETS

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from the Sale of Buildings			-
Receipts from the Sale of Vehicles and Transport Equipment			-
Receipts from the Sale Plant Machinery and Equipment			-
Receipts from the Sale of Office and General Equipment			-
TOTAL		-	-

3. OTHER RECEIPTS

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs		-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	-	-

4. COMPENSATION OF EMPLOYEES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,502,955	1,661,851
Personal allowances paid as part of salary		
House allowance	500,985	249,278
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	80,600	942,180
Employer Contributions Compulsory national social security schemes	13,200	-
TOTAL	2,097,740	2,853,309

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Utilities, supplies and services	934,000	1,147,730
Electricity	10,241	11,959
Water & sewerage charges	67,270	3,460
Office rent	159,320	972,696
Communication, supplies and services	248,000	120,000
Domestic travel and subsistence	360,400	144,000
Printing, advertising and information supplies & services	175,563	0
Rentals of produced assets	9,450	9,450
Training expenses	2,493,000	0
Hospitality supplies and services	0	0
Capacity Building	5,739,298	0
Commitee allowance & Expenses	2,969,950	0
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	298,460	383,300
Fuel , oil & lubricants	493,950	202,514
Other operating expenses	1,159,150	291,000
Bank service commission and charges	0	157,314
Other Operating Expenses		-
Security operations	90,000	-
Routine maintenance - vehicles and other transport equipment	134,500	149,940
Routine maintenance- other assets		0
TOTAL	15,342,552	3,593,363

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Transfers to Primary Schools	34,200,000	10,350,000
Transfers to Secondary Schools	22,600,000	41,523,897
Transfers to Tertiary Institutions	-	10,000,000
TOTAL	56,800,000	61,873,897

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	30,948,000	26,848,000
Bursary -Tertiary (see attached list)	10,255,000	18,258,000
Bursary	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security Projects (see attached list)	3,350,000	2,000,000
Sports Projects (see attached list)	-	-
Environment Projects (see attached list)	500,000	50,000
Emergency Projects (see attached list)	4,100,000	9,757,958
TOTAL	49,153,000	56,913,958

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2020 - 2021	2019 - 2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	0	1,630
Purchase of computers ,printers and other IT equipments	-	41,500
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
TOTAL	0	43,130

9. OTHER PAYMENTS

Machakos Community water tanks		569,880
Capacity building		450,200
Committee expenses (Admin & M&E)		3,096,508
		-
TOTAL		4,116,588

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
		Kshs (30/6/2020)	Kshs (30/6/2019)
<i>NG-CDFC MACHAKOS TOWN CONSTITUENCY- EQUITY BANK</i>	<i>A/C no.0600297284247</i>	47,668,261	8,167,413
		-	-
		-	-
TOTAL		47,668,261	8,167,413
10B: CASH IN HAND)			
		2020 - 2021	2019 - 2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)		
Gratuity held during the year (B)		
Gratuity paid during the Year (C)		
Closing Gratuity as at 30 th June 21 D= A+B-C		

13. BALANCES BROUGHT FORWARD

	2020- 2021	2019- 2020
	Kshs (1/7/2020)	Kshs (1/7/2019)
Bank accounts	8,167,413	6,920,782
Cash in hand		
Imprest		
TOTAL	8,167,413	6,920,782

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjusments	Adjusted Balance b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	8,167,413		
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (uncollected stale bursary cheques)	-	1,526,416	-
Total	8,167,413	1,526,416	9,693,829

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST'

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)		
Imprest issued during the year (B)		
Imprest surrendered during the Year (C)		
closing accounts in account receivables D= A+B-C		

CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)		
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		
closing account receivables D= A+B-C		

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

17.3: UNUTILISED FUNDS (See Annex 3)		2020- 2021	2019- 2020
		Kshs	Kshs
Compensation of employees		1,604,794	2,417,701
Use of goods and services		2,533,311	1,542,053
Amounts due to other Government entities (see attached list)		58,799,000	65,100,000
Amounts due to other grants and other transfers (see attached list)		25,081,139	5,613,663
Acquisition of assets		1,238,896	1,278,896
Other payments		3,500,000	2,082,824
Funds pending approval		500,000	
		93,257,140	78,035,137

Machakos Town Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	40,628,542.55	9,531,388

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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

MACHAKOS TOWN Constituency
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance
		2020/21	2019/20
Compensation of employees		1,604,794	2,417,701
Use of goods & services		2,533,310	1,542,053
Amounts due to other Government entities			
Primary Schools			
Mikono Primary School			1,500,000
Mbusyani Primary School			500,000
St. Johns Academy Primary School			800,000
Kyamuthinza Primary School			500,000
Malooni primary school			900,000
Minyalala Primary School			500,000
Ivutini Primary School			500,000
Ulaani Primary School			500,000
Kyangala Primary School			750,000
Kisueni Primary School			500,000
Mbevo Primary School			500,000
Miwani Primary School			500,000
Kimutwa Primary School			500,000
Makaveti Primary School			600,000
Mang'auni primary school			600,000
Kamweleni Primary School			500,000
Konza Primary School			750,000

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Katheka kai Primary School			750,000
Uiini Primary School			2,100,000
St. Francis Kavovi Primary School			700,000
Kathaayoni Primary School			700,000
Muthini Primary School			500,000
Kivandini Primary School			750,000
Mikuini Primary School			600,000
Machakos Primary School			500,000
Kyambuko Primary School			500,000
Kusyomuomo Primary School			750,000
Misakwani Primary School			500,000
Kathese Primary School			700,000
Kyanguli Primary School			500,000
Mbukoni Primary School			700,000
Kasaini Primary School			800,000
Mutituni S.A Primary School			750,000
Kivutini Primary School			500,000
Yakamete Primary School			800,000
Kamuthanga Primary School			500,000
Kithima Primary School			500,000
Keaa Primary School			500,000
Kwa Kitaa Primary School			500,000
Kyasila Primary School			600,000
Mua Farm Primary School			1,800,000

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Kasinga Primary School			2,000,000
Kivani primary school			700,000
Ianzoni Primary School		500,000	
Iiani primary school		750,000	
Ilyuni Primary School		500,000	
Kamuthanga Primary School		500,000	
Kamweleni Primary School		1,000,000	
Kasinga Primary School		1,000,000	
Katanga Primary School		750,000	
Kathianioni Primary School		1,000,000	
Katoloni primary school		1,000,000	
Kiangini Primary School		1,000,000	
Kitonyini Primary School		1,000,000	
Kiuu Primary School		500,000	
Kivandini Primary School		750,000	
Kyandili Primary School		500,000	
Kyangala Township Primary School		1,000,000	
Kyeni Primary School		500,000	
Makaveti Primary School		1,000,000	
Makyau Primary School		750,000	
Mikono Primary School		750,000	
Mumbuni Primary School-Kalama		500,000	
Muthumo Primary School		600,000	
Muumandu Primary School		500,000	

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Ngelani primary school		500,000	
Township Muslim Primary School		500,000	
Uiini Primary School		750,000	
Uiini Primary School		500,000	
Kyasila Primary School		7,162,250	
Secondary Schools			
Ngelani secondary school			700,000
Kitonyini Secondary School			1,000,000
Kanyongo Secondary School			500,000
Mutuyu Secondary School			700,000
Mbukuni Secondary School			800,000
Upper Kitanga Secondary School			700,000
Kiima Kimwe Secondary School			500,000
Katoloni Secondary School			700,000
Kitulu Secondary School			500,000
Kaseve Secondary School			1,000,000
Machakos Secondary School for the Deaf			500,000
ABC Iveti Hills Secondary School			1,000,000
Ikokani Secondary School			1,500,000
Kasinga Secondary School			6,800,000
Miwongoni Secondary School			900,000
Ngomeni Secondary School			1,000,000
Kyanda Secondary School			700,000
Kyasila Secondary school			1,000,000
Mua Farm secondary school			

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			1,000,000
Kyasila Secondary school			1,800,000
Kikumbo Secondary School			6,800,000
Kyanguli Secondary School			1,500,000
Mua Hill Girls high School			700,000
Katumani Secondary School			700,000
Muvuti Boys High School			1,000,000
Ngomeni Secondary School		1,350,000	
Ikokani Secondary School		1,000,000	
Ikokani Secondary School		500,000	
Iluvya Secondary school		1,000,000	
Kamweleni Secondary School		1,000,000	
Katelemba Boys Centre of Excellence Secondary School		1,200,000	
Katheka Kai Secondary School		500,000	
Kiseveni Secondary School		1,000,000	
Kiteini Secondary School		7,162,250	
Kithima Secondary School		1,000,000	
Kyambuko Secondary School		1,000,000	
Kyasila Secondary School		500,000	
Kyeni Secondary School		7,162,250	
Mumbuni Girls High School		1,000,000	
Mutituni S.A Secondary School		500,000	
Vota Secondary School		7,162,250	
		-	-
Sub-Total			

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		58,799,000	65,100,000
Amounts due to other grants and other transfers			
Security		5,577,027	
Assistant county Commissioners office – Kalama Division.			1,500,000
Kiima Kimwe Police Post			1,000,000
Mbilini Assistant Chiefs Office			250,000
Mwanyani Assistant Chiefs Office			600,000
Mungala Assistant Chiefs Office			500,000
Assistant County Commissioners office Kalama Division Social Hall		2,000,000	
Kyaani Assistant Chiefs Office		700,000	
Kyemutheke A.P Lines		800,000	
Machakos Central Chiefs office Social Hall		2,000,000	
Machakos County Police Headquarters		1,000,000	
Machakos Traffic Unit Offices		700,000	
Mutituni Division Assistant County Commissioners office		2,000,000	
Ngelani Locational Chiefs Office		700,000	
Vota Division - Assistant county Commissioners office		2,000,000	
Sports		2,763,664	
Environment projects			
Machakos Primary School			50,000
Miwongoni Secondary School			50,000
Mikuyu Primary School			50,000
Kaseve Primary School			50,000
Kyaani Primary School			

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			50,000
Iiyuni Primary School			50,000
Love Primary School			50,000
Kivandini Secondary School			50,000
Miwani Secondary School			50,000
Kavyuni Primary School			50,000
Kakinduni Primary School		50,000	
Kamweleni Primary school		50,000	
Katelembo Boys Centre of excellence		50,000	
Kiatuni Secondary School		50,000	
Kivutini Primary School		50,000	
Machakos Baptist Secondary School		50,000	
Mikono Primary School		50,000	
Uiini Primary School		50,000	
Vota Primary School		50,000	
Yakamete Primary School		50,000	
Emergency		4,340,448	1,263,663
	Sub-Total	25,081,139	5,613,663
Acquisition of assets		1,238,896	1,278,896
Others payments			
M&E/ Capacity Building			2,082,824
New NG-CDFC Office Equipping		2,500,000	
NG-CDFC Office Electric fencing and CCTV installation		1,000,000	

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	Sub-Total		3,500,000	-
	Funds pending approval -Ivumbuni Primary School		500,000	500,000
	Grand Total		93,257,140	78,035,137

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	20,567,864	0	0	20,567,864
Transport equipment	2,746,279	0	0	2,746,279
Office equipment, furniture and fittings	32,130	0	0	32,130
ICT Equipment, Software and Other ICT Assets	1,041,120	0	0	1,041,120
Other Machinery and Equipment	99,000	0	0	99,000
Heritage and cultural assets	-	0	0	0
Intangible assets	-	0		0
Total	24,486,393	0	0	24,486,393

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

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

PMC	Bank	Account number	Bank Balance	Bank Balance
			2020/21	2019/20
Kalama Deputy Commissioners Toilets	National Bank	01520226441400		212,559.00
Machakos Baptist Primary School	National Bank	01520225597100		45,262.00
Kikumbo Primary School	National Bank	01520226124100		1,500,500.00
Mutituni Primary School	National Bank	01520217186300		50.00
Machakos County Commissioners Residence	National Bank	01520225508700		362.00
kinoi Secondary School	Equity Bank	0600293791282		32,681.55
Mulaani Secondary School	Equity Bank	0600263431465		674.75
Kiuu HGM Primary School	Equity Bank	0600162106116		15,083.00
Manza Primary School	Equity Bank	0600262677535		127.50
Machakos Community Water Tanks	Equity Bank	0600277324973		100.00
Iiyuni Secondary School	Equity Bank	0600264736832		802,040.00
Kyanguli Primary School	Equity Bank	0600263435420		5,520.00
Miwani Secondary School	Equity Bank	0600295287870		47.00
Nzaini Primary School	Equity Bank	0600263658838		243.00
Kyeni Primary School	Equity Bank	0600264452882		69.05
Assistant County Commissioners Office Vota Division	Family Bank	073000039672		1,000,000.00
Kwa Kavoo Secondary School	Family Bank	073000030741		88,136.80
Iluvyva Primary School	Family Bank	073000033597		431.60
Kyasila Secondary	Family Bank	0730000188805		

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School				1,000,086.00
Ivumbuni Primary School	Family Bank	073000039894		82.00
Metuma Secondary School	Family Bank	073000019414		35,551.00
Kwakatheke Primary School	Family Bank	073000029200		3,473.13
Yakamete Primary School	Co-operative Bank	01139071251001		33,541.00
Mutuyu Primary School	Co-operative Bank	01139072616702		300,000.00
Kikumbo Secondary School	Co-operative Bank	01139033113802		2,102,172.50
Ikokani Secondary School	Co-operative Bank	01139748446800		1,128,621.50
Kitonyini Primary School	Co-operative Bank	01139071992802		400,172.50
Mua Farm Secondary School	Co-operative Bank	01139033226504		32,184.55
Kyaani Primary School	Co-operative Bank	01139071152000		9,504.50
Kiatuni Secondary School	Co-operative Bank	01139550688100		9,504.50
Kaseveni Primary School	Co-operative Bank	01139277861501		183,922.87
Mwanyani Primary School	Co-operative Bank	01139749051700		2,240.00
Mikuini Secondary School	Co-operative Bank	01139033455201		17,920.60
Mikuyu Primary School	Co-operative Bank	01139072686202		1,082.50
Machakos School For the Deaf	Co-operative Bank	01139749601900		499,520.00
Kyanzasu Primary School	Co-operative Bank	01139071979002		7,314.00

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Makyau Secondary School	Co-operative Bank	01139550771801		35,048.00
Kyandili Secondary School	Sidian Bank	01018030000480		25,560.00
Assistant County Commissioner Office (Kalama Division)	Co-operative Bank	01141748452500	4,502.80	
Ikokani Secondary School	Co-operative Bank	01139748446800	13,049.50	
Kaseve Primary School	Co-operative Bank	01139277861504	50,755.00	
Kathaayoni Primary School	Co-operative Bank	01139071983501	31,879.50	
Katheka kai Primary School	Co-operative Bank	01139277683300	4,370.00	
Katumani Secondary School	Co-operative Bank	01139550731200	701,412.50	
Kikumbo Secondary School	Co-operative Bank	01139033113802	72.50	
Kivandini Primary School	Co-operative Bank	01139277667600	53,000.00	
Kivani primary school	Co-operative Bank	01139550178301	700,110.00	
Konza Primary School	Co-operative Bank	01139072685301	2,364.40	
Kwa Kitaa Primary School	Co-operative Bank	01139071978902	501,500.00	
Love Primary School	Co-operative Bank	01139071978802	51,072.50	
Machakos Secondary School for the deaf	Co-operative Bank	01141277291800	500,000.00	
Mbembani Primary school	Co-operative Bank	01139854760700	601,000.00	
Mbusyani Primary School	Co-operative	01139071993002	501,000.00	

MACHAKOS TOWN Constituency
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	Bank			
Mikuini Primary School	Co-operative Bank	01139277303700	602,097.25	
Mikuyu Primary School	Co-operative Bank	01139072686202	51,082.50	
Misakwani Primary School	Co-operative Bank	01139550701100	500,071.50	
Miwani Primary School	Co-operative Bank	01139072613701	504,005.25	
Mua Farm Secondary School	Co-operative Bank	01139033226504	1,032,184.55	
Muthini Primary School	Co-operative Bank	01139276088401	52,595.00	
Mutuyu Secondary School	Co-operative Bank	01139748038700	701,515.00	
St Johns Academy primary school	Co-operative Bank	01117277269600	1,508.00	
Yakamete Primary School	Co-operative Bank	01139071251001	32,701.00	
Iiyuni Primary School	Equity Bank	0600280371068	430.00	
Kakyalya Chiefs Office	Equity Bank	0600280307515	400,000.00	
Kaseve Secondary School	Equity Bank	0600264034771	84,918.00	
Kasinga Primary School	Equity Bank	0600280176074	1,959,430.00	
Kasinga Secondary School	Equity Bank	0600266154811	1,880.00	
Katheka Kai Sec School	Equity Bank	0600262735557	750,205.00	
Katoloni Secondary School	Equity Bank	0600295431705	701,619.55	
Keaa Primary School	Equity Bank	0600192967049	500,004.25	
Kiima Kimwe Secondary School	Equity Bank	0600280248817	500,000.00	
Kimua Primary School	Equity Bank	0600280748419	500,000.00	

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Kimutwa Primary School	Equity Bank	`0600279290438	22,441.50	
Kitulu Secondary School	Equity Bank	`0600279788991	449,550.00	
Kivandini Secondary School	Equity Bank	`0600192909344	-	
Kyambuko Sec School	Equity Bank	`0600270189312	70.00	
Kyanguli Primary School	Equity Bank	0600263435420	7,019.00	
Kyasila Primary school	Equity Bank	`0600280318103	600,000.00	
Kyasila Secondary School	Equity Bank	`0600280328464	1,800,000.00	
Kyaviti primary school	Equity Bank	`0600280521188	300,000.00	
Lumbwa chiefs office	Equity Bank	`0600180281428	17,424.00	
Machakos D.C.C office	Equity Bank	`0600280607471	500,000.00	
Makaveti Primary School	Equity Bank	`0600280463470	599,550.00	
Mbembani Secondary school	Equity Bank	`0600280537739	44,133.00	
Mbilini Assistant Chiefs Office	Equity Bank	`0600162517383	250,180.00	
Mikono Primary School	Equity Bank	`06002803517626	(156.00)	
Mikuyu Primary School	Equity Bank	`0600280454284	2,499,550.00	
Miwani Secondary School	Equity Bank	0600295287870	50,047.00	
Mulaani Primary School	Equity Bank	`0600297284247	1,399,550.00	
Mumbuni primary school -Kalama	Equity Bank	`0600280325910	600,000.00	
Mungala Assistant Chiefs Office	Equity Bank	`0600179841485	500,000.00	
Muvuti Boys High School	Equity Bank	`0600279822683	999,550.00	
Mwanyani Assistant chiefs office	Equity Bank	`0600280518819	600,000.00	
Ngelani Secondary School	Equity Bank	`0600264173665	151,784.00	
Uiini Primary School	Equity Bank	`0600279884037	738,735.50	
Kamweleni Primary School	Family Bank	`073000037079	499,761.00	

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Katelembo C.O.E Sec School	Family Bank	`073000015500	5,989.00	
Kusyomuomo Primary School	Family Bank	`073000029113	750,486.80	
Kyambuko Primary School	Family Bank	`073000029304	502,465.40	
Kyasila Secondary school	Family Bank	0730000188805	1,515,593.00	
Mbevo Primary School	Family Bank	`073000036992	504,738.60	
Upper Kitanga Secondary School	Family Bank	`073000018008	697,009.00	
Kamuthanga Primary School	KCB Bank	1109106114	70,356.70	
Kasaini Primary School	KCB Bank	1202368875	436.50	
Kathese Primary School	KCB Bank	1172373795	64,464.00	
Kavyuni Primary School	KCB Bank	1199207632	2,469.00	
Kisueni Primary School	KCB Bank	1206010215	500,634.00	
Kyangala Primary School	KCB Bank	1199649791	750,815.00	
Machakos Primary School	KCB Bank	1200472357	551,120.00	
Malooni Primary School	KCB Bank	1226716547	900,939.00	
Miwongoni Secondary School	KCB Bank	1118722620	900,339.00	
Ngomeni Secondary School	KCB Bank	1206122153	1,000,757.00	
ABC Iveti Hills Secondary School	KCB Bank	1116946610	5,624,821.50	
Ivutini Primary School	KCB Bank	1232705322		
Kitonyini Secondary School	KCB Bank	1273190092		
Kyanguli Secondary School	KCB Bank	1206144130		
Mang'auni primary school	KCB Bank	1273466357		
Mbukoni Primary School	KCB Bank	1235082458		
Mbukuni Secondary School	KCB Bank	1206123257		
Minyalala Primary School	KCB Bank	1177960834		
Mua Farm Primary	KCB Bank	1114546585		

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School				
Kithima Primary School	National bank	`01520228778600	500,000.00	
Kivutini Primary School	National bank	`01522225988300	500,002.00	
Kanyongo Secondary School	Sidian Bank	`01018030000091	4,030.00	
St. Francis Kavovi Primary School	Sidian Bank	`01018030001486	59,553.00	
TOTAL			40,628,542.55	9,531,388.40

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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)
MH/AUD/NGCDF-MT/2019/2020/(18)	Undisclosed Comparative Balances for 2018/2019	The financial statements template reflects the comparative balances for F/Y 2020-2021 and 2019-2020 that's why 2018-2019 is not disclosed in the financials	Awaiting discussion with the respective parliamentary committee	