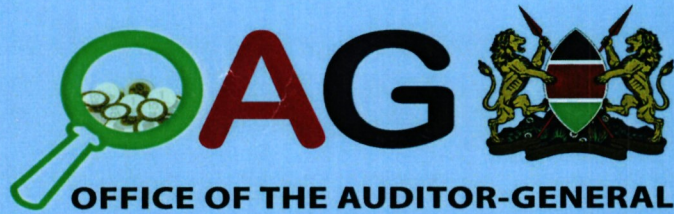


REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY

DATE: 23 NOV 2022 Wednesday

TABLED
BY:

Majority Whip

CLERK AT
THE TABLE:

Modo

**OF
THE AUDITOR-GENERAL**

ON

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

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



LURAMBI 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)

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

| Table of Content | Page |
|--|------|
| I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT | ii |
| II. NG-CDFC CHAIRMAN’S REPORT | v |
| III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES | xi |
| IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING | 14 |
| V. STATEMENT OF MANAGEMENT RESPONSIBILITIES | 16 |
| VI. REPORT OF THE INDEPENDENT AUDITORS ON THE <i>NGCDF- LURAMBI CONSTITUENCY</i> | 17 |
| VII. STATEMENT OF RECEIPTS AND PAYMENTS | 18 |
| VIII. STATEMENT OF ASSETS AND LIABILITIES | 19 |
| IX. STATEMENT OF CASHFLOW | 20 |
| X. SUMMARY STATEMENT OF APPROPRIATION | 21 |
| X. BUDGET EXECUTION BY SECTORS AND PROJECTS..... | 23 |
| XI. SIGNIFICANT ACCOUNTING POLICIES | 29 |
| XII. NOTES TO THE FINANCIAL STATEMENTS | 32 |

Lurambi Constituency

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

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

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

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 LURAMBI 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:

| N o | Designation | Name |
|----------------|-----------------------|-----------------------|
| 1. | A.I.E holder | JULIUS OKETCH |
| 2. | Sub-County Accountant | LUCAS OKECH |
| 3. | Chairman NGCDFC | FABIAN SHILAKO |
| 4. | Member NGCDFC | ISAAC OTIENDE |

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of LURAMBI Constituency NG-CDF . 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) LURAMBI Constituency NGCDF Headquarters

P.O. Box 2680
NG-CDF Building
KAKAMEGA
Kakamega-Kisumu Highway
NG-CDF Building

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

(f) NGCDF LURAMBI Constituency Contacts

Telephone: (254)722574566
E-mail: luramingcdf@ngcdf.go.ke
Website: www.ngcdf.go.ke/lurambi

(g) NGCDF LURAMBI Constituency Bankers

Equity Bank
P.O Box
KAKAMEGA

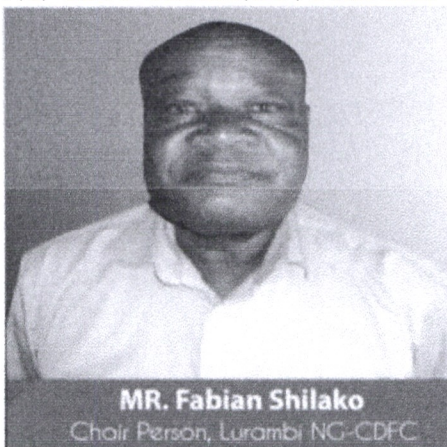
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



I am delighted to present our annual financial report for the FY 2020/2021. This year we have witnessed an improved performance in the overall management of the fund, we have equally launched some of the projects that had been earlier initiated. We continue to boost of a committed and qualified team that has adapted to the challenges facing the fund thus demonstrating our ability to deliver substantial, sustained value for money to our constituents.

BUDGET PERFORMANCE

We are proud to share with you that we had a 75% utilization of funds received from the NG-CDF Board up from 59% in the 2019/2020FY. Utilization of funds helps us enhance our core focus and objectives of serving the constituents of Lurambi.

KEY ACHIEVEMENTS DURING 2020/2021 FY

Strong management and governance have been key components of our operational model. This has resulted into the following key achievements during the year:

1. Completion of key Flagship Projects

In this Financial year, we initiated a number of key flagship projects for implementation. I am proud to report that the following Projects have been successfully finished and handed over to the users; Mahiakalo Primary School Primary (8 Classrooms), NG-CDF office Block (stalled since 2008), Ebuhai Primary school (8 Classrooms), Key Environmental projects, Sports and emergency projects.



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

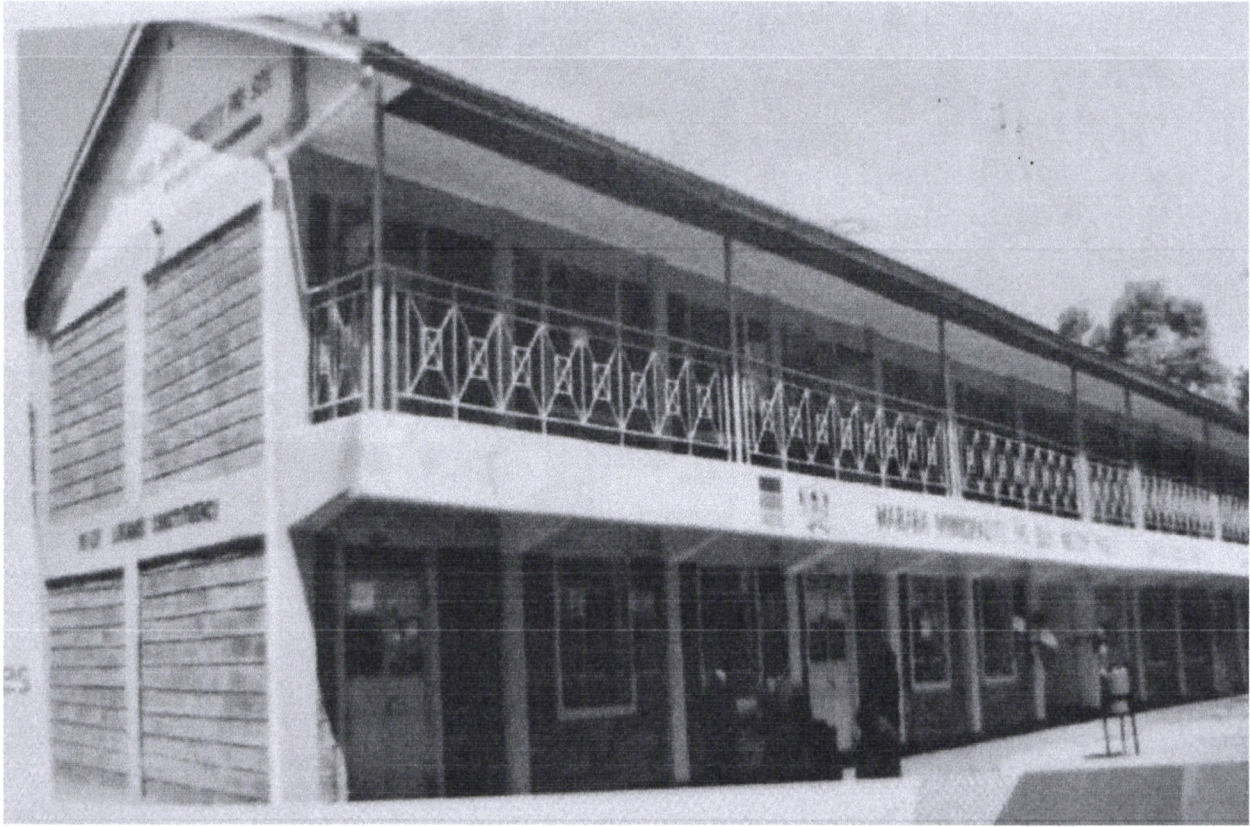


PMC AND CDFC CAPACITY BUILDING WORKSHOP

As a way of ensuring smooth operation of the fund as stipulated in the NG-CDF Act (2015), we prioritized training of the key implementers of the fund. We thus had a successful two-day training workshop of all NG-CDF Staff, all PMCs, a select PMC and key departmental heads.



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

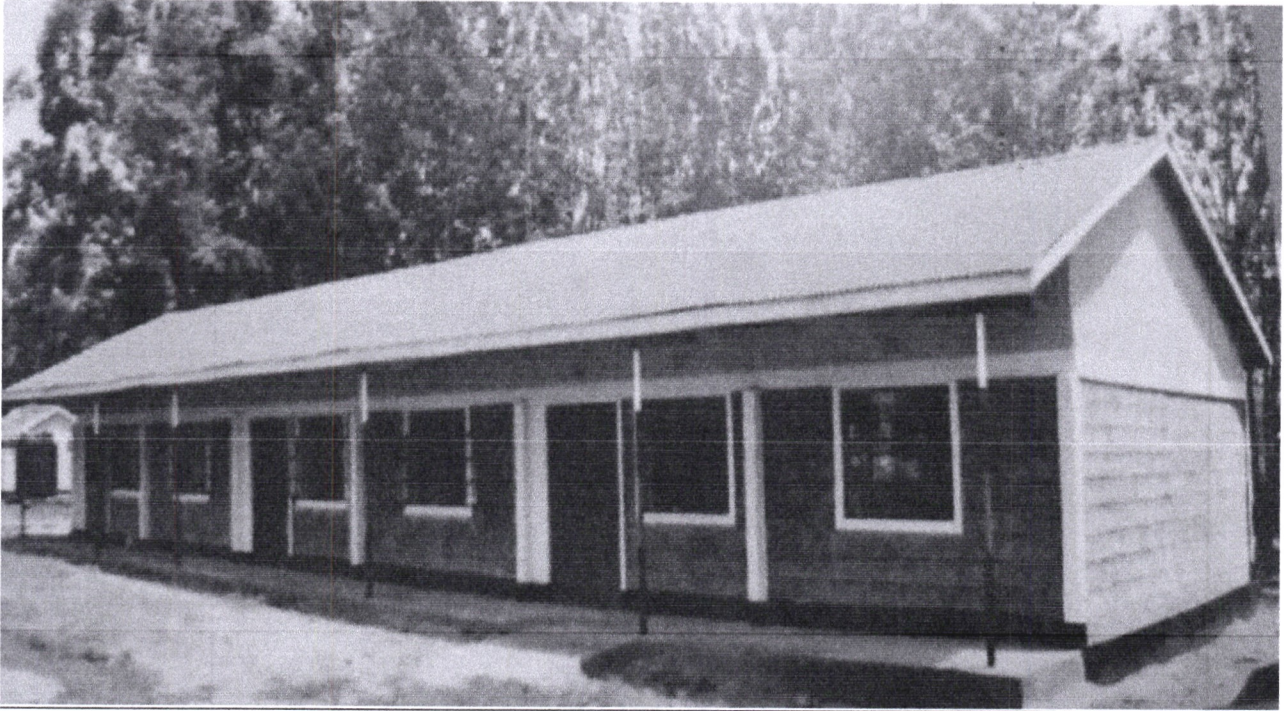


Maraba Primary School –Construction of 8 No Classrooms Storey

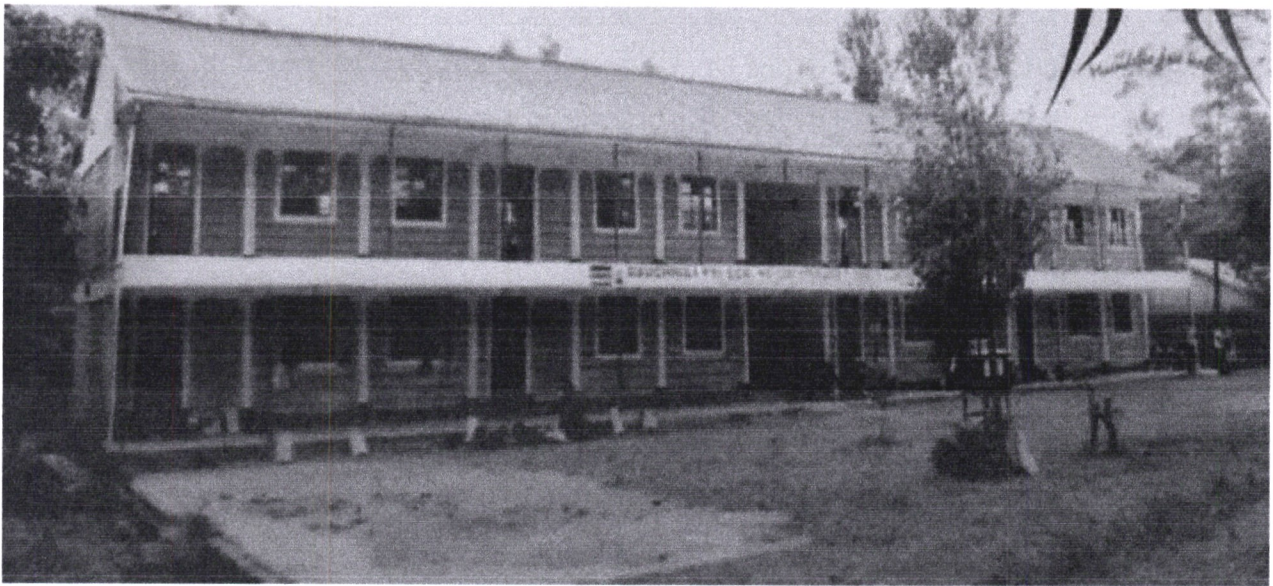


Matende Primary School –Construction of 8 No Classrooms Storey

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



Ekapwonje Primary School –Construction of 3 No Classrooms

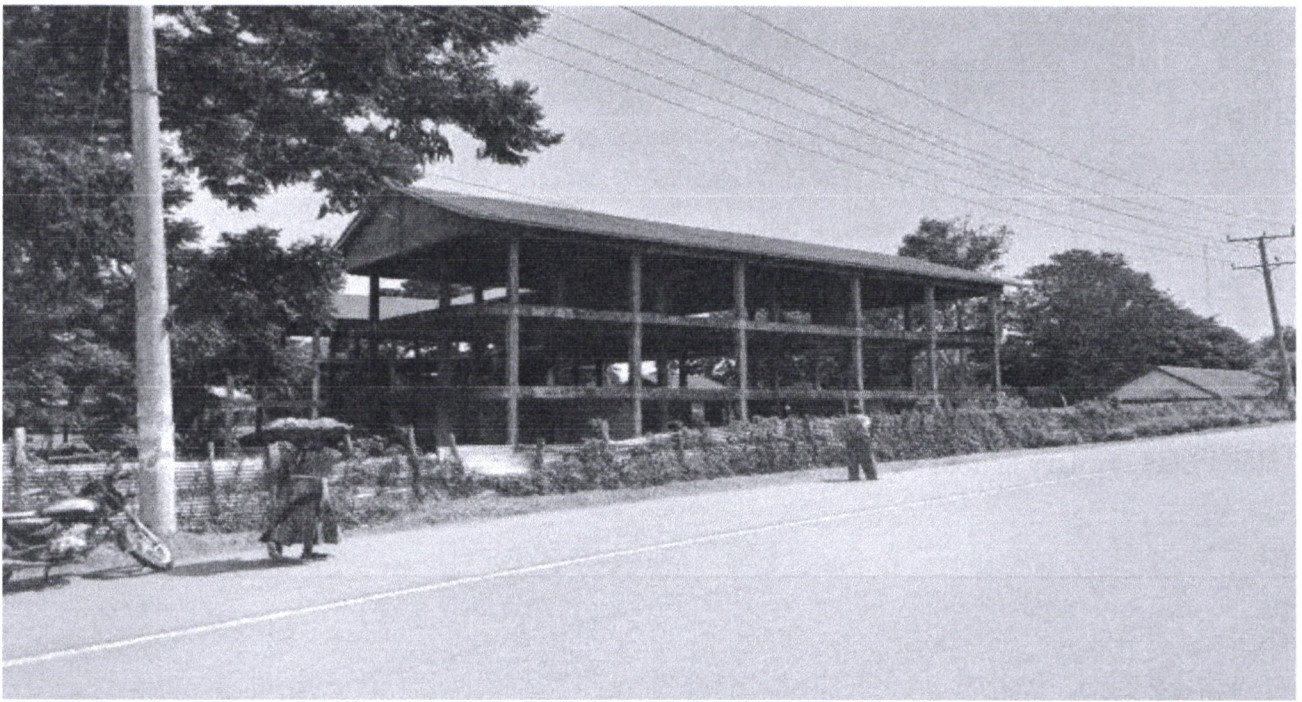


Ebuchinga Primary School –Construction of 8 No Classrooms Storey

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



Ongoing construction of NG-CDF Office Block



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

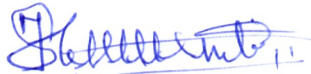
KEY IMPLIMENTATION CHALLENGES

We experienced operational challenges in the course of the year. These included but were not limited to the following:

1. The Covid-19 Pandemic has been heavily felt in our implementation of our set targets. This had had a spill over effect from other key stakeholders.
2. Most of the PMC members were not well acquainted to the operational nature of the fund. To this regard, the committee embarked on capacity building activities scheduled throughout the FY to empower the PMCs, NG-CDF staff as well as committee members on issues of importance in the operation of the fund.
3. Piece meal funding from the NG-CDF Board curtailed efficient implementation of projects by the committee.

In summary, 2020/2021 was a year of great performance. We have demonstrated we have the right strategy, the right culture and the right geographical footprint to deliver consistent and sustained value for our constituents. We enter 2021/2022 in excellent shape and a positive note.

Signature



CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

Lurambi is s constituency whose latent for growth is promising. The constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NGCDF-LURAMBI Constituency's 2017-2022 plan are to:

Strategic Area One: Education

Objective: Become a national model for education by improving school's infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance school's infrastructure to enhance facilities and provide conducive learning environment for children.

Strategic Area Two: Environment

Objective: Improve access to clean hygienic toilets

Initiative: Construct Modern toilets in Public institutions

Strategic Area Three: Sports

Objective: Promote peace building activities and enhance community cohesion

Initiative: Develop and empower youth and special groups through sports.

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

Strategic Area Four : Security

Objective: Improve security and maintain law and order in the community.

Initiative: construct Houses for Chiefs and Security personnel

Progress on attainment of Strategic development objectives

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

| Constituency Program | Objective | Outcome | Indicator | Performance |
|-----------------------------|---|---|---|--|
| Education | Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates | Reduced distance covered by school children, Increases opportunities for school leavers, Education for the disabled, Improved learning facilities | Number of Classrooms/laboratories Constructed. | 64 New classrooms were constructed to completion. |
| Environment | Improve hygiene standards in schools. | Construction of Modern toilets in schools | Number of toilets built in primary and secondary. | The constituency constructed 18 Modern toilets in Primary schools. |

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

| Constituency Program | Objective | Outcome | Indicator | Performance |
|-----------------------------|---|--|--|---|
| Sports | Promote peace building activities and enhance community cohesion. | Sports activities for the youth and other vulnerable groups. | Number of Sports Tournaments organized. | The Constituency organized 1 big tournaments where youths were awarded with trophies. |
| Security | Improve security and maintain law and order in the community. | Constructed houses for Chiefs and security agencies | Number of houses constructed for Chiefs and Security agencies. | The constituency constructed 2 Chief offices and 1 AP houses . |

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Lurambi Constituency just like any Government entity has the responsibility of ensuring public involvement in project identification, prioritization of projects and adequate allocation of funds to the projects. In undertaking the aforementioned, the Lurambi NG-CDF Committee always highlights Corporate Responsibility as a tool with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programs in the constituency. The financial prudence has a lot of weight in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short term performance. We further looked at performance on responsible leadership with clear undertone on the interest of the constituents and stakeholders and sufficient respect for environmental, social and governance issues.

This is aimed at ensuring efficient and effective management of public resources at the grassroots level thus transformation of livelihoods. It remains our purpose and the driving Force behind everything we do. It's what guides us to deliver our strategies, 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.

SUSTAINABILITY STRATEGY AND PROFILE

The Lurambi NG-CDF Committee endeavored to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development. The relevance of this was attributed to our vision, mission and core values.

ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Lurambi NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

EMPLOYEES WELFARE

Lurambi NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure. The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done.

COMMUNITY ENGAGEMENTS

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. Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability. Effective public engagement is about recognizing that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two- way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures.

- The office purchased 120 hand wash pots and basins that were distributed to the Government offices within the constituency Printing of brochures disseminating information regarding Corona Virus protection measure.

Lurambi Constituency

National Government Constituencies Development Fund (NGCDF)

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

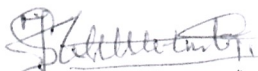
The Accounting Officer in charge of the NGCDF-LURAMBI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-LURAMBI 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- LURAMBI 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 LURAMBI 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- LURAMBI Constituency financial statements were approved and signed by the Accounting Officer on _____ 2021.



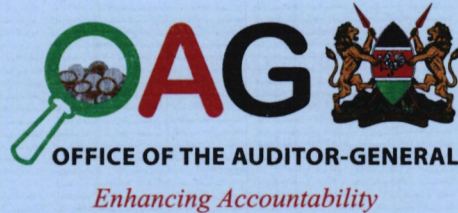
Chairman NGCDF Committee
Name: FABIAN SHILAKO



Fund Account Manager
Name: JULIUS OKETCH

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LURAMBI 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 National Government Constituencies Development Fund - Lurambi Constituency set out on pages 18 to 51,

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Lurambi 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

Unsupported Project Management Committee (PMC) Bank Account Balances

Note 13 to the financial statements reflects a balance of Kshs.5,646,558 relating to Project Management Committee account balances which, as shown under Annex 5, represents bank account balances for forty-five (45) Project Management Committees. However, cash books, bank reconciliation statements and bank confirmation certificates for the individual bank accounts were not provided for audit review.

In the circumstances, the accuracy and completeness of the PMC balances of Kshs.5,646,558 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 - Lurambi Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation indicates that the Fund had a final receipts budget of Kshs.230,543,202 for the year but realized actual receipts of Kshs.173,222,322 or about 75% of the budget. No explanation was provided for the underfunding of Kshs.57,320,880. In addition, out of the actual receipts of Kshs.173,222,322, the Fund

utilized only Kshs.149,946,691 (or about 87%). No explanation was also provided for the under-utilization of Kshs.23,275,631.

In the circumstances, the residents of Lurambi Constituency did not receive services for projects that had been planned during the year.

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. Construction of Administration Block - Shikoti Girls Secondary School

The statement of receipts and payments reflects an amount of Kshs.75,023,728 under transfers to other Government units which, as disclosed in Note 4 to the financial statements includes an amount of Kshs.12,000,000 disbursed to Secondary Schools. The amount of Kshs.12,000,000 includes an amount of Kshs.4,500,000 disbursed to Shikoti Girls Secondary School for construction of an administration block. The contract was awarded to a local construction Company on 20 April, 2020, at a contract sum of Kshs.5,496,890 with a contract period of twenty-six (26) weeks scheduled for completion on 15 November, 2020. However, inspection carried out in April, 2022, revealed that the project had stalled with the Contactor having been paid a total of Kshs.5,072,132 and no explanation was provided on why the project had stalled.

In the circumstances, the public did not obtain value for money on the amount expended on this project.

2. Non-Compliance with the Public Sector Accounting Standards Board Reporting Template

The financial statements in Annex 4 reflects opening fixed assets balance (building and structures) of Kshs.9,528,272 which is at variance with closing balance of Kshs.2,667,950 in the audited financial statements for the year ended 30 June, 2020.

In the circumstances, the summary fixed asset register did not comply with the Public Sector Accounting Standards Board Reporting template.

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal 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 Fund's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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

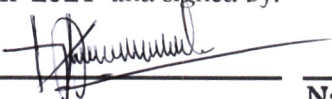
02 September, 2022

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

VII. STATEMENT OF RECEIPTS AND PAYMENTS

| | Note | 2020 – 2021 | 2019 - 2020 |
|-------------------------------------|------|--------------------------|-------------------------|
| | | Kshs | Kshs |
| RECEIPTS | | | |
| Transfers from NGCDF Board | 1 | 169,832,260 | 130,540,876 |
| TOTAL RECEIPTS | | 169,832,260 | 130,540,876 |
| PAYMENTS | | | |
| Compensation of employees | 2 | 3,805,795 | 3,779,179 |
| Use of goods and services | 3 | 13,098,006 | 11,988,106 |
| Transfers to Other Government Units | 4 | 75,023,728 | 76,599,000 |
| Other grants and transfers | 5 | 48,708,890 | 38,180,298 |
| Acquisition of Assets | 6 | 9,310,272 | 342,491 |
| TOTAL PAYMENTS | | 149,946,691 | 130,889,074 |
| SURPLUS/ (DEFICIT) | | <u>19,885,569</u> | <u>(348,198)</u> |

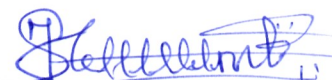
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LURAMBI Constituency financial statements were approved on **30TH SEPTEMBER 2021** and signed by:



**Fund Account Manager
Name: JULIUS OKETCH**



**National Sub-County
Accountant
Name: LUCAS OKECH
ICPAK M/No: 17541**



Chairman NG-CDF Committee

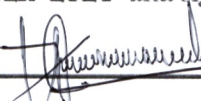
Name: FABIAN SHILAKO


Lurambi 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) | 7 | 23,275,631 | 3,390,062 |
| Total Cash and Cash Equivalents | | 23,275,631 | 3,390,062 |
| TOTAL FINANCIAL ASSETS | | 23,275,631 | 3,390,062 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 8 | 1,181,487 | 1,181,487 |
| TOTAL FINANCIAL LIABILITES | | | |
| NET FINANCIAL ASSETS | | 22,094,144 | 2,556,773 |
| REPRESENTED BY | | | |
| Fund balance b/fwd | | 2,208,575 | 2,556,773 |
| Surplus/Deficit for the year | | 19,885,569 | (348,198) |
| NET FINANCIAL POSITION | | 22,094,144 | 2,208,575 |

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


 Fund Account Manager
 Name: JULIUS OKETCH


 National Sub-County
 Accountant
 Name: LUCAS OKECH
 ICPAK M/No: 17541

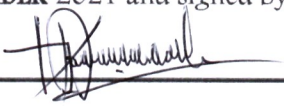

 Chairman NG-CDF Committee
 Name: FABIAN SHILAKO

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


IX. STATEMENT OF CASHFLOW

| | | 2020 - 2021 | 2019 - 2020 |
|--|----|--------------------------|-------------------------|
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Transfers from NGCDF Board | 1 | 169,832,260 | 130,540,876 |
| Total receipts | | 169,832,260 | 130,540,876 |
| Payments for operating activities | | | |
| Compensation of Employees | 2 | 3,805,795 | 3,779,179 |
| Use of goods and services | 3 | 13,098,006 | 11,988,106 |
| Transfers to Other Government Units | 4 | 75,023,728 | 76,599,000 |
| Other grants and transfers | 5 | 48,708,890 | 38,180,298 |
| Total payments | | 140,636,420 | 130,546,583 |
| Total Receipts Less Total Payments | | 29,195,840 | (5,707) |
| Adjusted for: | | | |
| Net cash flow from operating activities | | 29,195,840 | (5,707) |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Acquisition of Assets | 6 | 9,310,272 | 342,491 |
| Net cash flows from Investing Activities | | (9,310,272) | 342,491 |
| | | | |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 19,885,569 | (348,198) |
| Cash and cash equivalent at BEGINNING of the year | 10 | 3,390,062 | 3,738,260 |
| Cash and cash equivalent at END of the year | | <u>23,275,631</u> | <u>3,390,062</u> |

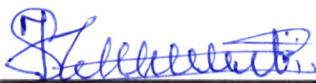
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LURAMBI Constituency financial statements were approved on 30TH SEPTEMBER 2021 and signed by:



Fund Account Manager
Name: JULIUS OKETCH



National Sub-County
Accountant
Name: LUCAS OKECH
ICPAK M/No: 17541



Chairman NG-CDF Committee
Name: FABIAN SHILAKO

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

X. SUMMARY STATEMENT OF APPROPRIATION

| Receipt/Expense Item | Original Budget | 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 | | Opening Balance (C/Bk) and AIA | | | | |
| Transfers from NG-CDF Board | 137,088,879 | 88,899,981 | 230,543,202 | 173,222,322 | 57,320,880 | 76% |
| TOTAL RECEIPTS | 137,088,879 | 88,899,981 | 230,543,202 | 173,222,322 | 57,320,880 | 76% |
| PAYMENTS | | Previous years Outstanding Disbursements | | | | |
| Compensation of Employees | 4,050,000 | 1,448,611 | 6,128,611 | 3,805,795 | 2,322,816 | 62% |
| Use of goods and services | 8,287,999 | | 9,132,979 | 13,098,006 | (3,965,027) | 93% |
| Transfers to Other Government Units | 81,800,000 | 49,036,725 | 130,836,725 | 75,023,728 | 55,812,997 | 57% |
| Other grants and transfers | 35,950,880 | 16,607,672 | 53,309,354 | 48,708,890 | 4,600,464 | 91% |
| Acquisition of Assets | 7,000,000 | 22,971,250 | 29,971,253 | 9,310,272 | 20,660,981 | 31% |
| TOTAL | 137,088,879 | 90,064,261 | 229,378,922 | 149,946,691 | 79,432,231 | 66% |

***Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*

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


1. The 21% underutilization under compensation of employees is a result of gratuity funds tot deducted.
2. Transfers to other government units has a 40% underutilization due to funds held at the NG-CDF Board at the close of the financial year.
3. 18% underutilization under other grants and transfers is due to bursary funds still held at the Constituency account pending completion of the bursary vetting processes for the second phase.
4. The 69% underutilization under acquisition of assets is due to money not paid to the contractor for the construction of the Lurambi NG-CDF office block.

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|-------------------|
| Description | Amount |
| Budget utilisation difference totals | 79,432,231 |
| Less undisbursed funds receivable from the Board as at 30 th June 2021 | 56,156,600 |
| | 23,275,631 |
| Add Accounts payable | 1,181,487 |
| Less Accounts Receivable | 0 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the FY 2020/2021 | 22,094,144 |

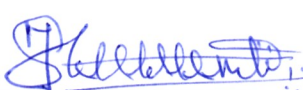
The NGCDF-LURAMBI Constituency financial statements were approved on **30TH SEPTEMBER 2021** and signed by:



Fund Account Manager
Name: JULIUS OKETCH



National Sub-County
Accountant
Name: LUCAS OKECH
ICPAK M/No: 17541



Chairman NG-CDF Committee
Name: FABIAN SHILAKO

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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

| Programme/Sub-programme | Original Budget 2020/2021 Kshs | Adjustments | | Final Budget 2020/2021 Kshs | Actual on comparable basis 30/06/2021 Kshs | Budget utilization difference Kshs |
|---|--------------------------------------|--|--------------------------------------|-----------------------------------|--|--|
| | | Previous Years' Outstanding Disbursements | Opening Balance (C/Bk) and AIA | | | |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 4,050,000 | 1,448,611 | 630,000 | 6,128,611 | 3,805,795 | 2,322,816 |
| 1.2 Committee allowances | 2,277,951 | | | 2,277,951 | 1,471,000 | 806,951 |
| 1.3 Use of goods and services | 1,897,382 | | 844,980 | 2,742,362 | 2,760,692 | (18,330) |
| Total | 8,225,333 | 1,448,611 | 1,474,980 | 8,037,487 | 8,037,487 | 3,111,436 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | 1,421,000 | | | 1,421,000 | 1,128,814 | 292,186 |
| 2.2 Committee allowances | 2,076,518 | - | | 2,076,518 | 7,737,500 | (5,660,982) |
| 2.3 Use of goods and services | 615,148 | | | 615,148 | | 615,148 |
| Total | 4,112,666 | - | | 4,112,666 | 8,866,314 | (4,753,648) |
| 3.0 Emergency | | | | | | |
| 3.1 Primary Schools | 7,192,207 | | 750,802 | 7,943,009 | 18,956,374 | (11,013,365) |
| Total | 7,192,207 | | 750,802 | 7,943,009 | 18,956,374 | (11,013,365) |
| 4.0 Bursary and Social Security | | | | | | |
| 4.1 Secondary Schools | 14,500,000 | 13,707,257 | | 28,207,257 | 14,462,979 | 13,744,278 |
| 4.2 Tertiary Institutions | 5,000,000 | 1,795,574 | | 6,795,574 | 7,589,480 | (793,906) |

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

| Programme/Sub-programme | Original Budget 2020/2021 | Adjustments | | Final Budget 2020/2021 | Actual on comparable basis 30/06/2021 | Budget utilization difference |
|---|------------------------------|--|--------------------------------------|---------------------------|--|----------------------------------|
| | | Previous Years' Outstanding Disbursements | Opening Balance (C/Bk) and AIA | | | |
| 4.3 Social Security | | 300,000 | | 300,000 | | 300,000 |
| 4.4 special needs | 500,000 | 889,368 | | 1,389,368 | | 1,389,368 |
| Total | 20,000,000 | 16,692,199 | - | 36,692,199 | 22,052,459 | 14,639,740 |
| 5.0 Sports | | | | | | |
| 5.1 | 1,558,673 | 27,281 | | 1,585,954 | 652,000 | 933,954 |
| Total | 1,558,673 | 27,281 | - | 1,585,954 | 652,000 | 933,954 |
| 6.0 Environment | | | | | | |
| 6.1 | 500,000 | 8,420 | | 508,420 | 2,848,057 | (2,339,673) |
| Total | 500,000 | 8,420 | - | 508,420 | 2,848,057 | (2,339,637) |
| 6.3 | | | | | | |
| 7.0 Primary Schools Projects (List all the Projects) | | | | | | |
| Chief Mutsembi Primary school | 1,000,000 | - | | 1,000,000 | 1,000,000 | - |
| Ebwambwa Primary school | 3,000,000 | - | | 3,000,000 | 3,000,000 | - |
| Ekapwonje Primary school | 1,000,000 | 2,000,000 | | 3,000,000 | 3,000,000 | - |
| Elukho Primary | 1,000,000 | | | 1,000,000 | 1,000,000 | - |
| Ematetie Primary School | 2,200,000 | | | 2,200,000 | | 2,200,000 |
| Ematetie Primary School | 1,500,000 | | | 1,500,000 | | 1,500,000 |
| Emukaba Primary school | 1,000,000 | 2,000,000 | | 3,000,000 | 3,000,000 | - |

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

| Programme/Sub-programme | Original Budget 2020/2021 | Adjustments | | Final Budget 2020/2021 | Actual on comparable basis 30/06/2021 | Budget utilization difference |
|----------------------------|------------------------------|--|--------------------------------------|---------------------------|--|----------------------------------|
| | | Previous Years' Outstanding Disbursements | Opening Balance (C/Bk) and AIA | | | |
| Emulele Primary School | 2,200,000 | | | 2,200,000 | | 2,200,000 |
| Emulundu Primary school | 1,200,000 | 2,000,000 | | 3,200,000 | 3,200,000 | - |
| Enusala Primary School | 4,000,000 | | | 4,000,000 | 4,000,000 | - |
| Eshimboko Primary school | 1,000,000 | | | 1,000,000 | 1,000,000 | - |
| Eshandukusi Primary school | 4,300,000 | 500,000 | | 4,800,000 | 4,300,000 | 500,000 |
| Eshibeye Primary | 5,000,000 | | | 5,000,000 | | 5,000,000 |
| Ibinzo Primary school | 1,000,000 | | | 1,000,000 | 1,000,000 | - |
| Ikonyero Primary school | 5,000,000 | 3,000,000 | | 8,000,000 | 8,000,000 | - |
| Iurambi Primary school | 2,000,000 | | | 2,000,000 | | 2,000,000 |
| Mahiakalo Primary school | 2,000,000 | 500,000 | | 2,500,000 | | 2,500,000 |
| Maraba Primary school | 5,000,000 | | | 5,000,000 | 5,000,000 | - |
| Mungulu Primary school | 1,000,000 | | | 1,000,000 | 1,000,000 | - |
| Musaa Primary school | 1,000,000 | 2,000,000 | | 3,000,000 | 3,000,000 | - |
| Muslim Primary School | 5,000,000 | | | 5,000,000 | 4,762,908 | 237,092 |
| Mwiyala Primary School | 5,000,000 | 5,000,000 | | 10,000,000 | 1,000,000 | 9,000,000 |
| Shisasari Primary school | 3,000,000 | 2,000,000 | | 5,000,000 | 2,000,000 | 3,000,000 |
| shivakala Primary School | 1,000,000 | | | 1,000,000 | 1,000,000 | - |

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

| Programme/Sub-programme | Original Budget 2020/2021 | Adjustments | | Final Budget 2020/2021 | Actual on comparable basis 30/06/2021 | Budget utilization difference |
|-----------------------------------|------------------------------|--|--------------------------------------|---------------------------|--|----------------------------------|
| | | Previous Years' Outstanding Disburseme nts | Opening Balance (C/Bk) and AIA | | | |
| St Lawrence Ichina Primary School | 1,000,000 | 500,000 | | 1,500,000 | | 1,500,000 |
| Rosterman Primary school | | 486,725 | | 486,725 | | 486,725 |
| Shisango Primary School | | 500,000 | | 500,000 | | 500,000 |
| Matioli Primary School | | 100,000 | | 100,000 | | 100,000 |
| Daisy Special Primary school | | 500,000 | | 500,000 | | 500,000 |
| Ebuchinga Primary School | | 500,000 | | 500,000 | | 500,000 |
| Eshibembe Primary School | | 450,000 | | 450,000 | | 450,000 |
| Eshirumba Primary school | | 150,000 | | 150,000 | | 150,000 |
| Kakamega Primary school | | 2,000,000 | | 2,000,000 | | 2,000,000 |
| Indangalasia Primary school | | 650,000 | | 650,000 | 800,000 | (150,000) |
| Kakamega School for the Deaf | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Iurambi Primary school | | 4,000,000 | | 4,000,000 | | 4,000,000 |
| Matende Primary School | | 3,000,000 | | 3,000,000 | 3,000,000 | - |
| Elufwatwa Primary school | | | | - | 1,360,820 | (1,360,820) |
| Maraba Primary school | | | | - | 1,813,255 | (1,813,255) |
| Ebung'aya Primary School | | | | - | 2,086,745 | (2,086,745) |
| Bukhulunya | | 400,000 | | 400,000 | 1,200,000 | (800,000) |

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

| Programme/Sub-programme | Original Budget 2020/2021 | Adjustments | | Final Budget 2020/2021 | Actual on comparable basis 30/06/2021 | Budget utilization difference |
|---|------------------------------|--|--------------------------------------|---------------------------|--|----------------------------------|
| | | Previous Years' Outstanding Disbursements | Opening Balance (C/Bk) and AIA | | | |
| Total | 60,400,000 | 33,236,725 | - | 93,636,725 | 60,523,728 | 33,112,997 |
| 8.0 Secondary Schools Projects | | | | | | |
| Matende Secondary School | 500,000 | | | 500,000 | - | 500,000 |
| Shieywe secondary school | 5,000,000 | | | 5,000,000 | | 5,000,000 |
| Shikoti Secondary School | 4,500,000 | | | 4,500,000 | 4,500,000 | - |
| Kilimo Secondary School | 4,500,000 | | | 4,500,000 | 2,000,000 | 2,500,000 |
| Eshandukusi Secondary School | 2,200,000 | | | 2,200,000 | | 2,200,000 |
| Bishop Sulumeti Girls Secondary school | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Mwangaza Secondary School | | 5,500,000 | | 5,500,000 | 5,500,000 | - |
| St Titus Emasera | | 2,500,000 | | 2,500,000 | 2,500,000 | - |
| Eshisiru Secondary School | | 200,000 | | 200,000 | | 200,000 |
| Total | 16,700,000 | 9,200,000 | | 25,900,000 | 14,500,000 | 11,400,000 |
| 9.0 Tertiary institutions Projects | | | | | | |
| Kakamega KMTC | 1,200,000 | | | 1,200,000 | - | 1,200,000 |
| Total | 1,200,000 | - | | 1,200,000 | - | 1,200,000 |
| 10.0 Security Projects | | | | | | |
| Bukura police station | 2,000,000 | | | 2,000,000 | 2,000,000 | - |
| Butso South Administration Police post | 1,200,000 | | | 1,200,000 | 1,200,000 | - |

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

| Programme/Sub-programme | Original Budget 2020/2021 | Adjustments | | Final Budget 2020/2021 | Actual on comparable basis 30/06/2021 | Budget utilization difference |
|--|------------------------------|--|--------------------------------------|---------------------------|--|----------------------------------|
| | | Previous Years' Outstanding Disburseme nts | Opening Balance (C/Bk) and AIA | | | |
| Kakamega Central Sub- County Head Quarters Office | 1,000,000 | | | 1,000,000 | 1,000,000 | - |
| Shibuli Police post | 2,500,000 | | | 2,500,000 | - | 2,500,000 |
| Bukhungu Chiefs AP camp | | 1,300,000 | | 1,300,000 | | 1,300,000 |
| Emusala AP camp | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Eshibeye Assistant Chiefs Office | | 300,000 | | 300,000 | | 300,000 |
| Sichirayi Assistant Chiefs Office | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Butsetso Social Hall | | 2,500,000 | | 2,500,000 | | 2,500,000 |
| Ematsayi Market Solar Light | | 500,000 | | 500,000 | | 500,000 |
| Total | 6,700,000 | 6,600,000 | - | 13,300,000 | 4,200,000 | 9,100,000 |
| 11.0 Acquisition of assets | | | | | | |
| 11.2 Construction of CDF office | 7,000,000 | 22,971,253 | - | 29,971,253 | 9,310,272 | 20,660,981 |
| Total | 7,000,000 | 22,171,250 | - | 29,171,250 | 9,310,272 | 20,660,981 |
| Lurambi TTI | 3,500,000 | | | 3,500,000 | | 3,500,000 |
| Total | 137,088,879 | 90,064,261 | 2,225,782 | 229,378,922 | 149,946,691 | 79,432,231 |

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

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

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 5th 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.

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| Description | 2020-2021 | 2019-2020 |
|-----------------|--------------------|--------------------|
| | Kshs | Kshs |
| NGCDF Board | | |
| AIE NO B041089 | | 47,540,876 |
| AIE NO B047138 | | 8,000,000 |
| AIE NO B 041113 | | 4,000,000 |
| AIE NO B047960 | | 9,000,000 |
| AIE NO B047732 | | 8,000,000 |
| AIE NO B049359 | | 19,000,000 |
| AIE NO B041313 | | 18,000,000 |
| AIE NO B104384 | | 10,000,000 |
| AIE NO B041416 | | 7,000,000 |
| AIE NO B104634 | 28,000,000 | |
| AIE NO B096973 | 18,000,000 | |
| AIE NO B124705 | 9,000,000 | |
| AIE NO B104977 | 8,000,000 | |
| AIE NO B104978 | 7,132,260 | |
| AIE NO B124809 | 500,000 | |
| AIE NO B124793 | 3,400,000 | |
| AIE NO B119548 | 12,000,000 | |
| AIE NO B128180 | 6,900,000 | |
| AIE NO B138904 | 13,000,000 | |
| AIE NO B128493 | 6,000,000 | |
| AIE NO B132236 | 6,000,000 | |
| AIE NO B119938 | 13,000,000 | |
| AIE NO B126198 | 10,000,000 | |
| AIE NO B105146 | 6,000,000 | |
| AIE NO B140636 | 10,900,000 | |
| AIE NO B145887 | 12,000,000 | |
| TOTAL | 169,832,260 | 130,540,876 |

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. COMPENSATION OF EMPLOYEES

| | 2020-2021 | 2019-2020 |
|--|------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 3,448,727 | 2,332,189 |
| Gratuity to contractual employees | - | 1,344,275 |
| Employer Contributions Compulsory national social security schemes | 357,068 | 102,715 |
| Total | 3,805,795 | 3,779,179 |

3. USE OF GOODS AND SERVICES

| | 2020-2021 | 2019-2020 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | 50,199 | 374,100 |
| Communication, supplies and services | - | 51,819 |
| Training expenses | 1,128,814 | 2,048,700 |
| Hospitality supplies and services | 93,750 | 110,000 |
| Other committee expenses | 7,737,500 | 5,153,000 |
| Committee allowance | 1,471,000 | 3,557,000 |
| Office and general supplies and services | 2,076,588 | 333,487 |
| Fuel, oil, & lubricants | 100,000 | - |
| Bank service commission and charges | 440,155 | 360,000 |
| Total | 13,098,006 | 11,988,106 |

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

| Description | 2020-2021 | 2019-2020 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Transfers to primary schools (see attached list) | 63,023,728 | 59,990,000 |
| Transfers to secondary schools (see attached list) | 12,000,000 | 16,609,000 |
| TOTAL | 75,023,728 | 76,599,000 |

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. OTHER GRANTS AND OTHER PAYMENTS

| | 2020-2021 | 2019-2020 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 14,462,979 | 2,915,800 |
| Bursary – tertiary institutions (see attached list) | 7,589,480 | 8,652,848 |
| Bursary – special schools (see attached list) | - | 60,000 |
| Security projects (see attached list) | 4,200,000 | 8,300,000 |
| Sports projects (see attached list) | 652,000 | 4,511,661 |
| Environment projects (see attached list) | 2,848,057 | 2,254,494 |
| Emergency projects (see attached list) | 18,956,374 | 11,485,495 |
| Total | 48,708,890 | 38,180,298 |

6. ACQUISITION OF ASSETS

| | 2020-2021 | 2019-2020 |
|--|------------------|----------------|
| | Kshs | Kshs |
| Construction of Buildings | 9,310,272 | - |
| Purchase of ICT Equipment, Software and Other ICT Assets | - | 342,491 |
| Total | 9,310,272 | 342,491 |

7. CASH BOOK BANK BALANCE

| Name of Bank, Account No. & currency | 2020-2021 | 2019-2020 |
|--|-------------------|------------------|
| | Kshs | Kshs |
| <i>Equity bank kakamega</i> <i>A/C no.0500280062381</i> | 23,275,631 | 3,390,062 |
| Total | 23,275,631 | 3,390,062 |

8. RETENTION

| | 2020-2021 | 2019-2020 |
|--|------------------|------------------|
| | KShs | KShs |
| Retention as at 1 st July (A) | 1,181,487 | 1,181,487 |
| Closing Retention as at 30 th June D= A+B-C | 1,181,487 | 1,181,487 |

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. BALANCES BROUGHT FORWARD

| | 2020-2021 (1 st July 2020) | 2019-2020 (1 st July 2019) |
|---------------|--|--|
| | Kshs | Kshs |
| Bank accounts | 2,208,575 | 2,556,773 |
| Total | 2,208,575 | 2,556,773 |

10. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

| | 2020 – 2021 | 2019 - 2020 |
|---|------------------|------------------|
| | KShs | KShs |
| Deposit and Retentions as at 1 st July (A) | 1,181,487 | 1,181,487 |
| closing account payables D= A+B-C | 1,181,487 | 1,181,487 |

OTHER IMPORTANT DISCLOSURES

11. PENDING STAFF PAYABLES (See Annex 2)

| | 2020-2021 | 2019-2020 |
|--------------|----------------|----------------|
| | Kshs | Kshs |
| NGCDFC Staff | 309,782 | 154,891 |
| | 309,782 | 154,891 |

12. UNUTILIZED FUND (See Annex 3)

| | 2020-2021 | 2019-2020 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Compensation of employees | 2,322,816 | 2,078,611 |
| Use of goods and services | (3,965,027) | 844,980 |
| Amounts due to other Government entities (see attached list) | 50,847,970 | 43,636,725 |
| Amounts due to other grants and other transfers (see attached list) | 2,100,464 | 22,758,474 |
| Acquisition of assets | 20,660,981 | 22,971,253 |
| Unapproved Projects | 3,500,000 | |
| | 79,432,231 | 92,290,043 |

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. PMC account balances (See Annex 5)

| | 2020-2021 | 2019-2020 |
|--|------------------|------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | 5,646,558 | 6,767,270 |
| | 5,646,558 | 6,767,270 |
| | | |

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

| Name of Staff | Designation | Date employed | Outstanding Balance 30 th June 2021 | Comments |
|----------------------|----------------------------|---------------|--|----------|
| NG-CDFC Staff | | | | |
| 1. Ibrahim Onam | Accounts Assisatant | 01/07/2020 | 71,882 | |
| 2. Janet Ingonga | Records Management Officer | 02/07/2020 | 70,680 | |
| 3. Vicky Ambundo | Clerical Officer | 03/07/2020 | 35,042 | |
| 4. Christable Odongo | Clerical Officer | 04/07/2020 | 35,042 | |
| 5. Dacklyne Mbolo | Office Assistant | 05/07/2020 | 62,094 | |
| 6. Stanley Ingoka | Security | 05/07/2020 | 35,042 | |
| | Sub-Total | | 309,782 | |
| | Grand Total | | 309,782 | |

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

ANNEX 3 – UNUTILIZED FUND

| Name | Brief Transaction Description | Outstanding Balance 2020/21 | Outstanding Balance 2019/20 | Comments |
|---|----------------------------------|-----------------------------|-----------------------------|----------|
| Compensation of employees | Staff salaries | 2,322,816 | 2,078,611 | |
| Use of goods & services | Payment for goods and services | (3,965,027) | 844,980 | |
| Amounts due to other Government entities | | | | |
| Primary school | | | | |
| Ematetic Primary school | Construction of two classrooms | 2,200,000 | | |
| Ematetic Primary school | Renovation of 2 classrooms | 1,500,000 | | |
| Emulele primary school | Construction of two classroom | 2,200,000 | | |
| Eshandukusi primary school | Construction of 8 classrooms | 500,000 | 500,000 | |
| Eshibeye Primary school | Construction of 8 Classrooms | 5,000,000 | | |
| Lurambi primary school | Construction of 8 Classrooms | 2,000,000 | | |
| Maliakalo primary school | Construction of eight classrooms | 2,500,000 | 500,000 | |
| Muslim primary school | Construction of two classrooms | 237,092 | | |
| Mwiyala primary school | Construction of 8 classroom | 9,000,000 | 5,000,000 | |
| Shisasari primary school | Construction of 8 classrooms | 3,000,000 | 2,000,000 | |
| St Laurence Ichina primary school | Construction of 8 classrooms | 1,500,000 | 500,000 | |
| Rosterman primary school | Completion of classroom | 486,725 | 486,725 | |
| Shisango primary school | Completion of classrooms | 500,000 | 500,000 | |
| Matioli primary school | Completion of classrooms | 100,000 | 100,000 | |

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

| Name | Brief Transaction Description | Outstanding Balance 2020/21 | Outstanding Balance 2019/20 | Comments |
|------------------------------|--|-----------------------------|-----------------------------|----------|
| Daisy special school | Completion of classroom | 500,000 | 500,000 | |
| Ebuchinga primary school | Completion of classrooms | 500,000 | 500,000 | |
| Eshibembe primary school | Completion of classrooms | 450,000 | 450,000 | |
| Eshirumba primary school | Completion of classrooms | 150,000 | 150,000 | |
| Kakamega primary school | Completion of classrooms | 2,000,000 | 2,000,000 | |
| Indangalasia primary school | Completion of classrooms | (150,000) | 250,000 | |
| Kakamega school for the deaf | Completion of classrooms | 1,000,000 | 1,000,000 | |
| Lurambi primary school | Completion of classrooms | 4,000,000 | 4,000,000 | |
| Elufwafwa primary school | Purchase of land | (1,360,820) | | |
| Maraba primary school | Construction of modern toilets | (1,813,255) | | |
| Ebunganya primary school | Construction of modern toilets | (2,086,745) | | |
| Bukhulunya primary school | Completion of classrooms | (800,000) | 400,000 | |
| Ekapwoje primary school | Construction of two classrooms | | 2,000,000 | |
| Ebwambwa Primary School | Construction of 8 No Classrooms (Storey) | | 2,000,000 | |
| Emukaba primary school | Construction of two classrooms | | 2,000,000 | |
| Emulundu primary school | Construction of two classrooms | | 2,000,000 | |
| Ikonyero primary school | Construction of eight classrooms | | 3,000,000 | |
| Matende primary school | Construction of eight classrooms | | 3,000,000 | |
| Musaa Primary School | Construction of 2 Classrooms | | 3,200,000 | |
| Mwiyinga Primary school | Completion of | | 1,100,000 | |

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

| Name | Brief Transaction Description | Outstanding Balance 2020/21 | Outstanding Balance 2019/20 | Comments |
|--|-------------------------------------|-----------------------------|-----------------------------|----------|
| | classrooms | | | |
| Sub-Total | | 33,112,997 | 33,236,725 | |
| SECONDARY SCHOOLS | | | | |
| Matende secondary school | Completion of staff quarters | 500,000 | | |
| Shicywe secondary school | Construction of Eight classroom | 5,000,000 | | |
| Kilimo Secondary school | Construction of Dining Hall | 2,500,000 | | |
| Eshandukusi secondary school | Construction of two classrooms | 2,200,000 | | |
| Bishop Sulumeti Girls Secondary school | Completion of Dormitory | 1,000,000 | 1,000,000 | |
| Mwangaza Secondary school | Purchase of school bus | | 5,500,000 | |
| St fitus Emasera secondary school | Purchase of land | | 2,500,000 | |
| Eshisuru Secondary school | Completion of classrooms | 200,000 | 200,000 | |
| Sub-Total | | 11,400,000 | 9,200,000 | |
| TERTIARY INSTRUCTION | | | | |
| Kakamega KMTc | Construction of lecture hall | 1,200,000 | | |
| Sub-Total | | 1,200,000 | | |
| ACQUISITION OF ASSETS | | | | |
| Construction of CDF Office | Construction of NG CDF Office block | 20,660,981 | 22,971,253 | |
| Sub -Total | | 20,660,981 | 22,971,253 | |
| Amounts due to other grants and other transfers | | | | |
| Shibuli police post | Construction of police post | 2,500,000 | | |
| Bukhungu Chiefs Camp | Construction of chiefs office | 1,300,000 | 1,300,000 | |
| Emusala Ap Camp | Construction of Ap | 1,000,000 | 1,000,000 | |

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

| Name | Brief Transaction Description | Outstanding Balance 2020/21 | Outstanding Balance 2019/20 | Comments |
|------------------------------------|--|-----------------------------|-----------------------------|----------|
| | Camp | | | |
| Eshibeye Assistant chiefs Office | Construction of Chief office | 300,000 | 300,000 | |
| Sichirai Assisatant chiefs Office | Construction of CHIEFS OFFICE | 1,000,000 | 1,000,000 | |
| Butsoiso Sioical Hall | Construction of social hall | 2,500,000 | 2,500,000 | |
| Ematsayi Market Solar | Erection of solar light | 500,000 | 500,000 | |
| | Sub-Total | 9,100,000 | 6,600,000 | |
| Others (specify) | | | | |
| Environment | | (2,339,637) | 8,420 | |
| Sports | | 933,954 | 27,281 | |
| Emergency | | (11,013,365) | (569,426) | |
| Bursary and social security | | | | |
| Secondary school | | 13,744,278 | 13,707,257 | |
| Tertiary Institutions | | (793,906) | 1,795,574 | |
| Social security | | 300,000 | 300,000 | |
| Special needs | | 1,269,140 | 889,368 | |
| | Sub-Total | 1,651,266 | 16,158,474 | |
| Funds pending approval | | | | |
| Lurambi TTI | Purchase of land for construction of TTI | 3,500,000 | | |
| | Sub-Total | 3,500,000 | | |
| | Grand Total | 79,432,231 | 92,290,043 | |

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

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 | 64,886,754 | | | 64,886,754 |
| Buildings and structures | 9,528,272 | 9,310,272 | | 9,528,272 |
| Transport equipment | 796,246 | | | 796,246 |
| Office equipment, furniture and fittings | 504,000 | | | 504,000 |
| ICT Equipment, Software and Other ICT Assets | 400,991 | | | 400,991 |
| Total | 76,116,263 | 9,310,272 | | 76,116,263 |

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

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 202xx

| PMC | Bank | Account number | Bank Balance 2020/21 | Bank Balance 2019/20 |
|--------------------------------|--------|----------------|----------------------|----------------------|
| Bukura Police Post | KCB | 125234846 | 8,773 | 51,404 |
| Bishop Sulumeti Girls | KCB | 1257267833 | 66,985 | 66,985 |
| Bukhulunya Primary School | KCB | 1184416125 | 139,714 | 139,714 |
| Butotso Central Chief's Office | KCB | 1183789017.00 | 1,120 | 1,280 |
| Butotso East Ap Line | KCB | 1131097203 | 633 | 3,150 |
| Chief Mutsembi Primary | EQUITY | 0500299776016 | 165,725 | 2,001,000 |
| Daisy Special School | EQUITY | 0500277439663 | 28,430 | 29,130 |
| Ebuchinga Primary School | KCB | 1242755969.00 | - | 1,171 |
| Ebuhayi Primary School | KCB | 1204175772.00 | - | 13,368 |
| Ebwambwa Primary School | KCB | 11101561785 | 192 | 20,686 |
| Ebwambwa Secondary School | KCB | 1206396792 | 36,713 | 986 |
| Ekapwonje Primary School | KCB | 1183366299 | 24 | 57,887 |
| Elukho Primary School | KCB | 1240123752 | 547,314 | - |
| Elukho Primary School | KCB | 1240123752.00 | - | 8,764 |

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

| PMC | Bank | Account number | Bank Balance 2020/21 | Bank Balance 2019/20 |
|-----------------------------------|-------------------|----------------|----------------------|----------------------|
| Elukho Secondary School | KCB | 1256464732 | 723 | |
| Emasera Community School | EQUITY | 0500279855601 | 249 | - |
| Ematietie Secondary School | CO-OPERATIVE BANK | 1139165009902 | 10,358 | - |
| Emmachembe Primary School | EQUITY | 0500278882916 | 30,438 | |
| Emmachembe Primary School | EQUITY | 0500277323993 | 390 | |
| Emukaba Primary School | EQUITY | 0500280007424 | 140,914 | |
| Emulele Primary School | KCB | 1235469239.00 | - | 36,667 |
| Emulundu Primary School | EQUITY | 0500279550696 | 114,877 | |
| Emurumba Primary | EQUITY | 0500278905072 | 838 | 96,143 |
| Emurumba Secondary School | EQUITY | 0500278905072 | 838 | |
| Eshuamboko Primary | EQUITY | 0500279819677 | 55,463 | |
| Eshibandukusi Primary School | EQUITY | 0500280084148 | 1,854,384 | |
| Eshibandukusi Sec School | COOPERATIVE | 1134804149800 | 1,195 | |
| Eshibembe Primary School | KCB | 1183559054.00 | | 1,009 |
| Eshibeye Assistant Chief's Office | KCB | 1251930891.00 | | 6,954 |

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

| PMC | Bank | Account number | Bank Balance 2020/21 | Bank Balance 2019/20 |
|------------------------------------|-------------|----------------|----------------------|----------------------|
| Eshibeye Primary School | KCB | 1183841531.00 | | 16,447 |
| Eshisiru Secondary School | KCB | 1183320183.00 | | 9,335 |
| Hirumbi Primary | KCB | 1109549768 | 145 | |
| Ikonyero Secondary School | COOPERATIVE | 1109023568900 | 75,542 | |
| Indangalasia Chiefs Camp | EQUITY | 0500277347874 | 14,040 | |
| Indangalasia Pri | EQUITY | 0500277223573 | 22,228 | |
| Kakamega Primary School | KCB | 74147101043 | | 247,851 |
| Kilimo Girls Secondary | KCB | 1174508957 | 99,107 | 100,424 |
| Lurambi Primary School | KCB | 1174031433 | 95 | 1,286 |
| Lyanungu Primary School | KCB | 1183342608 | | 28,344 |
| Mahiakalo Assistant Chief's Office | KCB | 1183345461 | | 784 |
| Maraba Primary | EQUITY | 0500279686145 | 215,594 | - |
| Matende Girls Secondary School | KCB | 1156009936 | 112 | 36,833 |
| Matende Primary School | KCB | 1172017824 | | 1,432 |
| Matioli Secondary School | KCB | 1174063610 | 186 | 19,265 |
| Mungulu Primary | EQUITY | 0500278882916 | 30,438 | |

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

| PMC | Bank | Account number | Bank Balance 2020/21 | Bank Balance 2019/20 |
|---------------------------------------|-------------|----------------|----------------------|----------------------|
| Musaa Primary School | KCB | 1234792680 | | 95,133 |
| Muslim Secondary School | Cooperative | 1139165026500 | | 264,097 |
| Mwiyala Mixed Secondary | KCB | 1120030854 | 85,829 | 129,282 |
| Mwiyala Primary School | KCB | 1234692414 | 6,955 | 34,095 |
| Nabongo Primary School | EQUITY | 0500278915173 | 54,101 | 54,101 |
| Nyayo Tea Zone | KCB | 1171045689 | 1,093 | 1,092 |
| Rosterman Primary School | KCB | 1184250197 | | 3,926 |
| Rosterman Secondary School | KCB | 1183317611 | 1,205,757 | 1,206,822 |
| Shikoti Girls Boarding Primary School | KCB | 1256241733 | | 1,349 |
| Shikoti Girls Secondary School | KCB | 1135612498 | 461,624 | |
| Shisango Girls Secondary School | KCB | 1177472228 | 108 | 30,860 |
| Shisango Primary School | EQUITY | 0500277375065 | 35,472 | |
| Shisasari Primary School | EQUITY | 0500279895091 | 335 | |
| Shitaho Primary School | KCB | 1183301421 | | 3,073 |
| Shitungu Ap Camp | KCB | 1183261608 | 143,012 | 3,172 |
| Shivakala Primary | EQUITY | 0500279099320 | | |

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

| PMC | Bank | Account number | Bank Balance 2020/21 | Bank Balance 2019/20 |
|---|------|----------------|----------------------|----------------------|
| | | | 45,235 | |
| Shiyunzu Primary School | KCB | 1103368141 | | 2,318 |
| St. Francis Xavier Shikoti Mixed Secondary School | KCB | 1133906265 | | 3,482 |
| St. Lawrence Ichina Primary | KCB | 1156021332 | 2,967 | 1,851,889 |
| St. Patrick's Ikonyero Secondary School | | | | 76,382 |
| Total | | | 5,647,396 | 6,759,370 |

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

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) |
|--|--|--|-----------------------------------|--|
| 2019-2020-1-01-0202-09/(4) | Cash and Cash Equivalents Variances | The statement of assets and liabilities has been rectified to reflect the true balance as shown in the reconciled cashbook. The cashbook balance of (Kshs 3,390,062) had earlier been indicated in the Financial statements submitted for Audit but only got altered during the subsequent amendments. The Financial Statements have been rectified to confirm the accuracy of the bank balance as of 30 th June 2020. (Reference 1). | Resolved | |
| 2019-2020-1-01-0202-09/(4) | Accounts Payable-Retention | The retention balance of Kshs 1,181,487 is money owed to Ms. Masera Construction Limited being retention for the construction of the NGCDF Block office. The | Resolved | |

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

| 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) |
|--|-----------------------------------|---|-----------------------------------|--|
| | | <p>management has however received funds and approval from the NG-CDF Board for completion of the project. The Previous contract held by Ms. Masera Construction Limited has been invalidated and the tender for completion advertised pending award. Consequently, Ms. Masera Construction Limited has been paid the retention fee Vide Payment Certificate Number Q/KAK/LUR/CDF/318 of 11th February 2021. (Reference 2). We have revised the Financial statements to give a disclosure supporting the balance.</p> | | |
| 2019-2020-1-01-0202-09/(4) | Budget Performance | <p>The under expenditure under acquisition of assets is due to money which was still being held at the NGCDF board for</p> | Resolved | |

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

| 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) |
|--|-----------------------------------|---|-----------------------------------|--|
| | | <p>the completion of the of the stalled NG-CDF Office. The money has been disbursed and approval obtained for completion of the NGCDF office Block.</p> <p>The overall 41% under expenditure in the budget is as a result of piece-meal funding from the NGCDF Board. The management has however prevailed upon the NGCDF Board to fast track release of funds for projects previously budgeted with little success</p> | | |