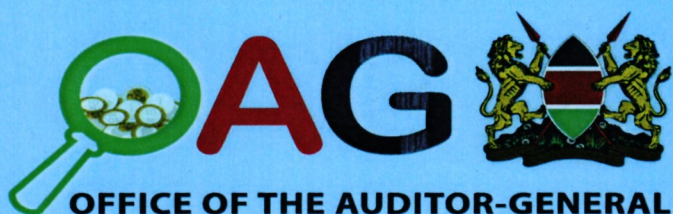


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE NATIONAL ASSEMBLY	
DATE: 23 NOV 2022	Day: Wednesday
TABLED BY: Majority Whip	
CLERK-AT-THE-TABLE: Christine	

THE AUDITOR-GENERAL

ON

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

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



MUHORONI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITTUENCIES 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)

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

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Muhoroni 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

**Muhoroni 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 Muhoroni Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Henry S.J. Opilo
2.	Sub-County Accountant	Isabella S. N. Omoke
3.	Chairman NGCDFC	Bernard Austin Ogutu Del
4.	Member NGCDFC	Nancy Iminza Kayere

(d) Fiduciary Oversight Arrangements

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

(e) Muhoroni Constituency NGCDF Headquarters

P.O. Box 60 – 40116
CDF Building, Chemelil
Muhoroni Sub-County Headquarters
Chemelil, KENYA

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

(f) Muhoroni Constituency NGCDF Contacts

Telephone: (254) 721967624

E-mail:

Website: www.go.ke

(g) Muhoroni Constituency NGCDF Bankers

Kenya Commercial Bank (KCB)

Muhoroni Brank

P.o. Box 113 - 40107

Muhoroni, Kenya

(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

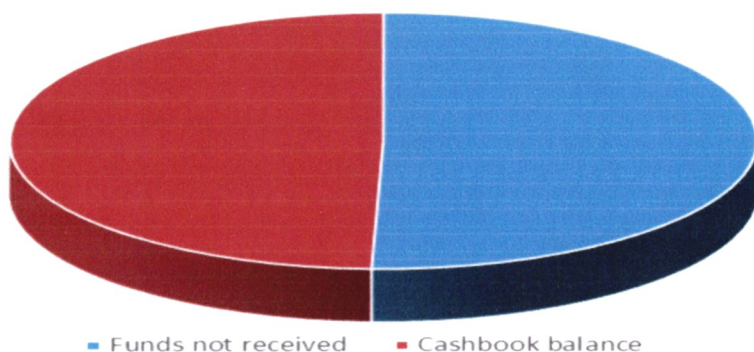


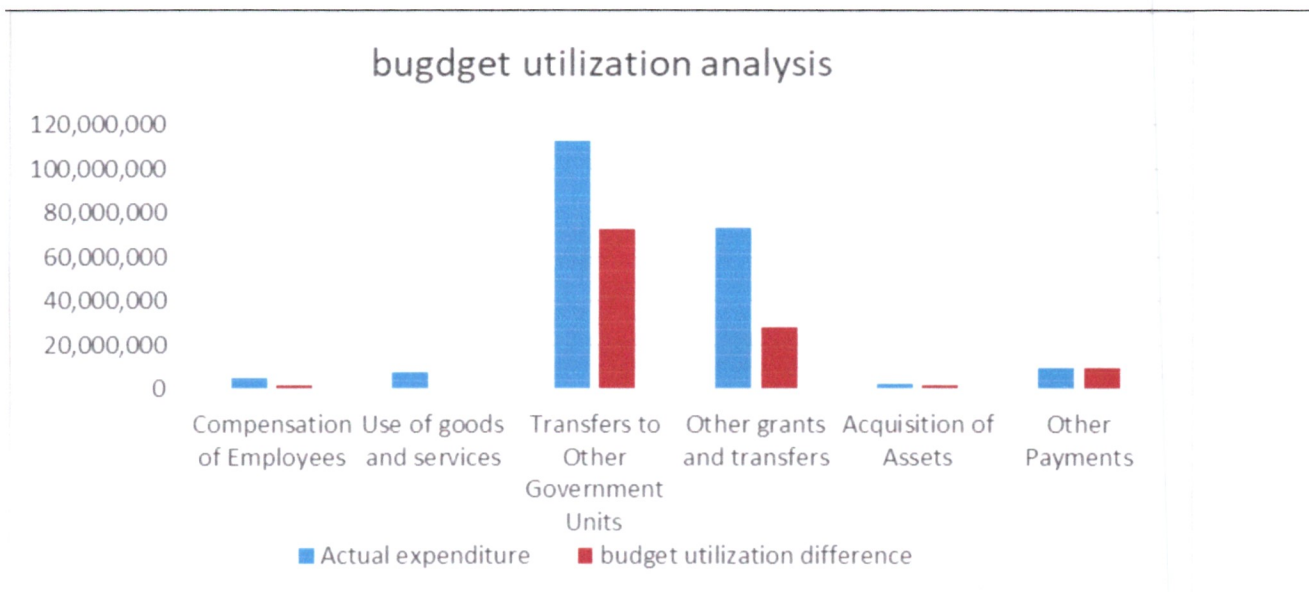
**Bernard Austin Ogutu Del
Chairman, NGCDFC Muhoroni**

Summary of budget performance

Once again, I present our constituency Annual Report and Financial Statements for the year ended 30th June 2021. The actual receipt from the NGCDF board for the year 2020/2021 was Kshs. 92,000,000 against the annual budget (allocation) of Kshs 137,088,879.31. By the closure of the financial year, a balance of Kshs. 57,664,855 of the allocated fund including balances not received from previous years had not been received as elaborated in the appropriate summary (see graph on appropriation of the budget utilization). The absorption rate is not impressive with a utilization rate of over 45.9% overall as indicated by the appropriation analysis summary due to the delay in funding from the Board and the COVID 19 pandemic which caused the delay of projects implementations (see the graphs below). This is a decrease of 16% from last year absorption rate.

Budget utilization difference





Achievements

Our commitment to achieve our dream of being the model constituency in Kenya by bringing all the essential services to the people had been our main motivation for the continued good performance under the difficult operating environment.

Some of the key achievement during this financial year included disbursement of funds to different government entities; Kshs. 27,154,000.00 was for primary schools and 12,820,000.00 for secondary schools. We were also able to disburse Kshs. 21,238,044.00 to various secondary schools within the country and 11, 542,360.00 to tertiary institutions benefiting close to 5,000 students within the constituency, this indicate how education wise the NG-CDF funds is impacting on the lives of Kenyans with specific reference to Muhoroni constituents.

In terms of social responsibility sports activities was held to help the youths showcase their talents and a total of Kshs. 4,038,800.00 was utilized on the activity.

The constituency has also been able to handle emergency that emerged during the financial year and a total of Kshs. 7,132,980 was utilized for the purpose.

Emerging issues.

During this financial year the emerging issues were;

- I. Restriction of movement that was imposed by the government
- II. The change in school calendar for purposes of bursary disbursement.
- III. The continuing spread of Corona Virus (COVID-19)

Implementation challenges

- i. Delay of funds from the board
- ii. Floods in the Muhoroni
- iii. Poor roads within the constituency
- iv. Lack of technical advisers in project implementation

Way forward

- i. The board should ensure funds are disbursed on time to avoid rollover of the projects. This will ensure 100% utilizations of funds during the year under review.
- ii. The board should provide an independent works office to help in supervision of NG-CDF projects because the works officer we are using is under county Government and they are hardly available.

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

Muhoroni NG-CDF through the area MP has collaborated with the county government to open up the drainages to mitigate the flood in the area.

Signature



CHAIRMAN NGCDF COMMITTEE

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF Muhoroni Constituency 2018-2022 plan are to:

- a) To reduce insecurity in Muhoroni Constituency by 90% by 2022.
- b) Increase access and retention of learners in various learning institutions.
- c) Increase access to ICT training for youths and women.
- d) To promote participation of youths in various sporting activities.
- e) Increase tree cover from 1% to 10%.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	Increase access and retention of learners in various learning institutions.	Improved access and completion rates among primary and secondary school children	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In the FY 2020/2021 the constituency constructed 11 primary school classrooms, 6 secondary school classroom. Overs 4000 students have also benefited from the bursary disbursement during the financial year 2020/2021
Security	To reduce insecurity in Muhoroni Constituency by 90% by 2022.	Improved security and peace within the Sub-County and at the boundary.	Number of usable physical infrastructure build in police stations and administrative	In the financial year 2020/2021 we renovated a hall, constructed houses and fencing (ongoing projects)

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

			offices within Muhoroni sub county.	Completion of DO's residential house Construction of pit latrine Summary Renovation of hall of RDU at songhor. Constructed houses of RDU at songhor. Constructed pit latrine at Kopere police post.
Environment	Increase tree cover from 1% to 10%	Improved local human environment through conservation of water	Planting trees and Campaigns against environmental degradation and its impact on human and animal life.	The financial year 2020/2021 we distributed water tanks to 10 schools for water conservation
Sports	To promote participation of youths in various sporting activities	Recognition of sports as an employer among the youth.	Purchase and distribution of sports kits Organize stakeholders meeting and training for the youths	In the financial year 2020/2021 we purchased 1 sets of uniforms to 10 local football clubs in Muhoroni Stakeholder meeting was held and training of youths within the constituency
Information Communication Technology	Increase access to ICT training for youths and women	Enhanced skill development and integration of ICT to widen opportunities for the youth	Connect all secondary schools with Wi-Fi	In the financial year 2020/2021 we connected Wi-Fi in one secondary school administration at Achego secondary school was connected with Wi-Fi

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Muhoroni NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Muhoroni NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

2. Environmental performance

- a) Environmental policy is the commitment of an organization or government to the laws, regulations and other policy mechanisms concerning environmental issues. Muhoroni NG-CDF has drafted an environmental policy on: -
- b) Increasing of the number of trees in the constituency by ensuring that in every year funds on planting of trees are allocated.
- c) Ensuring that the constituency observe the international environmental day every year.
- d) Ensuring that youths are involved in matters of environmental issues e.g. during the environmental day they are involved in un-bloking of drainages.

Success of the policy.

Due to continued planting of trees especially in primary and secondary schools, the ground cover has been enhanced reducing soil erosion. Also it is evident that the weather patterns have been enhanced due to the increased number of trees in the constituency.

The communities have been trained on the need to conserve environment based on the benefits witnessed over time.

Short comings

One of the shortcomings of the environmental policy in Muhoroni is sustainability of the projects. Majority of the schools have little sources of water and mostly many trees end up drying retarding the progress of the projects.

The heavy rains during the years has also affected the sustainability of the project because the Muhoroni is a flood prone area.

Majority of the schools are very poor and sustaining the project become a challenge.

Management of biodiversity.

Muhoroni NG-CDF believe in maintaining the ground cover which is an ecosystem favorable to human and organisms. The air we breathe is an integral part of wider benefits derived from conserving the environment and other earth fauna assist in breaking down humus into nutrients consumable by plants and eventually plants become food to human.

It is therefore imperative that management of biodiversity is the key objective advanced by Muhoroni NG-CDF ensuring that environmental conservation through tree planting is a priority.

Waste Management.

Waste management include the activities and actions required to manage waste from its inception to its final use. Muhoroni NG-CDF has embarked on implementing bio-digest ablution blocks in several schools and all big projects are directed to avoid septic tanks which influents are disposable and basically areas of disposal are a great challenge.

3. Employee welfare

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

Muhoroni Constituency

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Muhoroni constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Muhoroni NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

Public Awareness

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

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

Muhoroni 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.

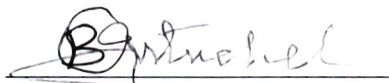
The Accounting Officer in charge of the NGCDF-Muhoroni Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021.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

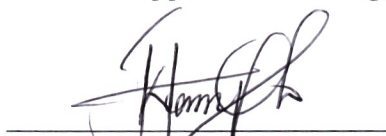

The Accounting Officer in charge of the NGCDF-Muhoroni Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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- Muhoroni 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 Muhoroni 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-Muhoroni Constituency financial statements were approved and signed by the Accounting Officer on 30th sep 2021.


Chairman NGCDF Committee
Name: BERNARD OGUTU DEL


Fund Account Manager
Name: HENRY S.J. DILO


REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUHORONI 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 - Muhoroni Constituency set out on pages 16 to 42, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the

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

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

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

Basis for Qualified Opinion

1. Unsupported PMC Account Balances

As disclosed in Note 17.4 to the financial statements, Management disclosed Nil bank balances for the Project Management Committee (PMC) accounts. However, the PMC balances as disclosed in Annex 5 to the financial statements reflects a balance of Kshs.125,382. In addition, Management failed to provide bank statements, bank reconciliation and bank balance confirmation certificates for the reported PMC accounts.

In the circumstances, the accuracy and completeness of the PMC account Nil balance could not be confirmed.

2. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A to the financial statement reflects a cash book balance of Kshs.56,537,479. Review of the Bank reconciliation statement indicated unpresented cheques amounted to Kshs.2,625,183 which included stale cheque amounting to Kshs.127,093 which had not been reversed in the cash book. In addition, the bank reconciliation statement did not include unpresented cheques brought forward from May amounting to Kshs.151,000 which had not been presented to the bank for payment.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.56,537,473 could not be confirmed.

3. Unsupported Committee Allowances

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an expenditure of Kshs.6,998,127 on use of goods and services which includes an amount of Kshs.1,706,000 in respect of committee allowances. However, Management did not provide support documents in form of notices calling for committee meetings, attendance registers and minutes of the meetings showing the dates and deliberations during the meetings.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.1,706,000 incurred on committee allowances could not be confirmed.

4. Lack of List of Beneficiaries

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an expenditure of Kshs.45,373,815 in respect of other grants and other payments which includes payments amounting to Kshs.7,132,980 in respect of emergency projects. Review of documents indicated that the funds were disbursed for purchase of foodstuffs, books and school uniforms for the victims of demolitions along the railway line at Koru, Miwani and Muhoroni. However, the list of the beneficiaries of the emergency disbursements was not provided for audit.

In the circumstances, the accuracy and regularity of the emergency disbursement amounting to Kshs.7,132,980 could not be confirmed.

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

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, 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. Payment Without Valid Contracts

The statement of receipts and payments and as disclosed in Note 4 of the financial statement reflects an amount of Kshs.3,707,780 in respect of compensation of employees. Review of documents revealed that the appointment letters of employees of Muhoroni NGCDF Expired on 22 March, 2021 and as at the time of audit inspection the process of contract renewal had not commenced. Management paid the employees a three months' salary amounting to Kshs.922,500 without a valid contract.

In the circumstances, the regularity of the payment of the salaries amounting to Kshs.922,500 could not be confirmed.

2. Unauthorized Procurement of ICT Equipment and Refurbishment of Buildings

The statement of receipts and payments as disclosed in Note 8 to the financial statements reflects an amount of Kshs.739,670 in respect to acquisition of assets which includes refurbishment of buildings and purchase of ICT equipment's amount of Kshs.380,000 and Kshs.359,670 respectively. However, purchase of laptops and refurbishment of buildings were not included in the approved annual budget and procurement plan, contrary to Regulation 51(2) of the Public Finance Management (National Government) Regulations, 2015 which states that expenditure commitments of goods and services shall be controlled against spending and procurement plans approval by the Accounting Officer based on allocation and allotment from approved budgets.

In addition, the payment was not supported by the inspection and acceptance committee certificate and there was no document indicating the serial numbers of the laptops.

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

3. Stores not Taken on Charge

Records revealed that Management paid an amount of Kshs.415,000 to a supplier for the supply of hand wash liquid soap at a cost of Kshs.100,000, alcohol sanitizer at a cost of Kshs.270,000, handwashing containers at a cost of Kshs.15,000 and face mask at Kshs.30,000.

However, Management did not provide quotation opening register, quotation evaluation committee minutes and the award letters for audit. In addition, Management did not provide stores records to show the goods were taken on charge before being issued out and utilized.

In the circumstances, value for money on the expenditure of Kshs.415,000 incurred in the procurement of goods could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015. I confirm that, nothing has come to my attention to cause me to believe that internal controls were not operating in an effective way.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 control, risk management and overall governance.

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

Those charged with governance are 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 Fund's 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.

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

Because of its inherent limitations, internal 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 September, 2022

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

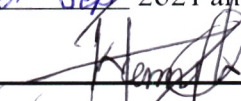
Reports and Financial Statements for The Year Ended June 30, 2021


VII. STATEMENT OF RECEIPTS AND PAYMENTS

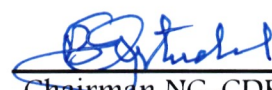
	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	148,791,749	123,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		148,791,749	123,040,876
PAYMENTS			
Compensation of employees	4	3,707,280	5,936,800
Use of goods and services	5	6,998,127	9,028,059
Transfers to Other Government Units	6	39,974,000	39,302,000
Other grants and transfers	7	45,373,815	62,556,227
Acquisition of Assets	8	739,670	3,210,314
Other Payments	9	-	-
TOTAL PAYMENTS		96,792,892	120,033,400
SURPLUS/(DEFICIT)		51,998,857	3,007,476

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Muhoroni Constituency financial statements were approved on

30th sep 2021 and signed by:


 Fund Account Manager
 Name: HENRY S. J. OPIKO


 National Sub-County
 Accountant
 Name: ISABELLA OMOKE
 ICPAK M/No: 20941


 Chairman NG-CDF Committee
 Name: BENARD OGUTU DEL

**FUND ACCOUNT MANAGER
 MUHORONI NGCDF
 P.O. BOX 60 - 40116
 CHEMELIL**

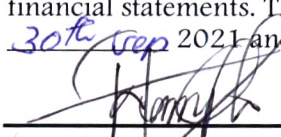
**NATIONAL SUB-COUNTY ACCOUNTANT
 MUHORONI
 P.O. BOX 27 - 40116, CHEMELIL**

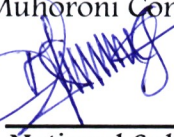
Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

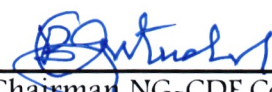
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	56,537,479	4,538,622
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		56,537,479	4,538,622
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		56,537,479	4,538,622
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		56,537,479	4,538,622
REPRESENTED BY			
Fund balance b/fwd	13	4,538,622	1,531,146
Prior year adjustments	14	-	-
Surplus/Deficit for the year		51,998,857	3,007,476
NET FINANCIAL POSITION		56,537,479	4,538,622

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


 Fund Account Manager
 Name: HENRY S. S. OPILO


 National Sub-County
 Accountant
 Name: KABELLA OYOKE
 ICPAK M/No: 20944


 Chairman NG-CDF Committee
 Name: BENARD OGUTU BELU

FUND ACCOUNT MANAGER
MUHORONI NGCDF
P.O. BOX 60 - 40116
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NATIONAL SUB-COUNTY ACCOUNTANT
MUHORONI
P.O. BOX 27 - 40116, CHEMELIL

Muhoroni Constituency

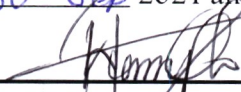
National Government Constituencies Development Fund (NGCDF)

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

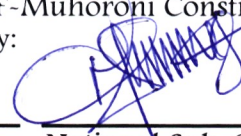
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	148,791,749	123,040,876
Other Receipts	3	-	-
Total receipts		148,791,749	123,040,876
Payments for operating activities			
Compensation of Employees	4	3,707,280	5,936,800
Use of goods and services	5	6,998,127	9,028,059
Transfers to Other Government Units	6	39,974,000	39,302,000
Other grants and transfers	7	45,373,815	62,556,227
Other Payments	9	-	-
Total payments		96,053,222	116,823,086
Total Receipts Less Total Payments		52,738,527	6,217,790
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
		-	-
Net cash flow from operating activities		52,738,527	6,217,790
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(739,670)	(3,210,314)
Net cash flows from Investing Activities		(739,670)	(3,210,314)
NET INCREASE IN CASH AND CASH EQUIVALENT		51,998,857	3,007,476
Cash and cash equivalent at BEGINNING of the year	10	4,538,622	1,531,146
Cash and cash equivalent at END of the year		56,537,478	4,538,622

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


Fund Account Manager

Name: HENRI J. OPILO


National Sub-County Accountant

Name: ISABELLA OMOKE
ICPAK M/No: 20941


Chairman NG-CDF Committee

Name: BENARD OGUTA DEW

**FUND ACCOUNT MANAGER
MUHORONI NGCDF
P.O. BOX 60 - 40116
CHEMELIL**

**NATIONAL SUB-COUNTY ACCOUNTANT
MUHORONI
P.O. BOX 27 - 40116, CHEMELIL**

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021				2020/2021	30/06/2021		
	Kshs				Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879		4,538,622	69,367,725	210,995,226	153,330,371	57,664,855	72.7%
Proceeds from Sale of Assets	-		-	-	-	-	-	0.0%
Other Receipts	-		-	-	-	-	-	0.0%
TOTALS	137,088,879		4,538,622	69,367,725	210,995,226	153,330,371	57,664,855	72.7%
PAYMENTS								
Compensation of Employees	5,400,575		-	(172,000)	5,228,575	3,707,280	1,521,295	70.9%
Use of goods and services	6,937,424		303,645	483,739	7,724,808	6,998,127	726,681	90.6%
Transfers to Other Government Units	44,850,000		-	58,897,964	103,747,964	39,974,000	63,773,964	38.5%
Other grants and transfers	73,000,880		4,234,977	(4,140,326)	73,095,531	45,373,815	27,721,716	62.1%
Acquisition of Assets	5,350,000		-	2,564,372	7,914,372	739,670	7,174,702	9.3%
Other Payments	1,550,000		-	-	1,550,000	-	1,550,000	0.0%
UNALLOCATED FUND				11,733,975	11,733,975	-	11,733,975	0.0%
TOTAL	137,088,879		4,538,622	69,367,724	210,995,225	96,792,892	114,202,333	45.9%

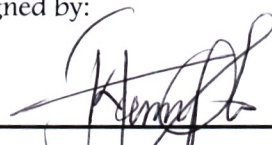
**Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.

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

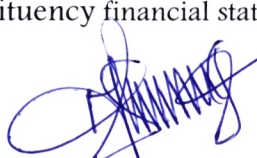
- I. Utilization of funds under transfer to other government units was below 90% because there was a delay of funds disbursement from the board and late implementation due to bad weather.
- II. On other grants and transfer the utilization is below 90% due to COVID 19 pandemic restrictions.
- III. Transfer to other government entities the utilization is below 90% due to COVID 19 pandemic restrictions.
- IV. Employees' compensation utilization is under 90% because gratuity was not paid during the financial year under review.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	114,202,333
Less undisbursed funds receivable from the Board as at 30 th June 2021	57,664,855
	56,537,478
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	56,537,478

The NGCDF-Muhoroni Constituency financial statements were approved on 30th Sep 2021 and signed by:


Fund Account Manager

Name: HENRY V. J. OPILO


National Sub-County
Accountant

Name: KABELLA OMOKE
ICPAK M/No: 20941


Chairman NG-CDF Committee

Name: BENARD OGUTU DEW.

**FUND ACCOUNT MANAGER
MUHORONI NGCDF
P.O. BOX 60 - 40116
CHEMELIL**

**NATIONAL SUB-COUNTY ACCOUNTANT
MUHORONI
P.O. BOX 27 - 40116, CHEMELIL**

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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,400,575	-	(172,000)	5,228,575	3,707,280	1,521,295
1.2 Committee allowances	1,248,000	-	122,800	1,370,800	1,370,800	-
1.3 Use of goods and services	1,576,758	-	25,196	1,601,954	1,758,997	(157,043)
2.0 Monitoring and evaluation						
2.1 Capacity building	1,266,701	-	(464,257)	802,444	802,444	0
2.2 Committee allowances	1,000,000	-	800,000	1,800,000	1,234,556	565,444
2.3 Use of goods and services	1,845,965	303,645	-	2,149,610	2,191,000	(41,390)
3.0 Emergency						
3.1 Emergency	7,192,207	3,432,148	-	10,624,355	7,132,980	3,491,375
4.0 Bursary and Social Security						
4.1 Secondary Schools	32,435,229	-	(1,955,951)	30,479,278	22,930,509	7,548,769
4.2 Tertiary Institutions	15,545,879	-	(5,433,124)	10,112,755	9,849,895	262,860
4.3 Social Security	-	-	-	-	-	-
4.4 Special Needs	-	-	-	-	-	-
5.0 Sports						
5.1	2,741,778	802,475	748,749	4,293,002	4,038,800	254,202
6.0 Environment						
6.1	2,741,778	354	-	2,742,132	-	2,742,132
7.0 Primary Schools Projects (List all the Projects)						
Nyang'ore Primary School	1,650,000	-	-	1,650,000	-	1,650,000

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Oseng'teti Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Makindu Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Songhor Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Oduwo Primary School	1,600,000	-	-	1,600,000	-	1,600,000
Ogilo Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Sanda Primary School	2,450,000	-	-	2,450,000	-	2,450,000
Kolang Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Magare Primary School	2,450,000	-	-	2,450,000	-	2,450,000
Nyagoto Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Masara Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Ramula Primary School	1,650,000	-	1,650,000	3,300,000	-	3,300,000
Kibos Sugar Research Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Mariwa Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Nyando Primary School	1,650,000	-	-	1,650,000	-	1,650,000
Pawteng primary school	-	-	1,650,000	1,650,000	-	1,650,000
Nyakoko primary school	-	-	1,650,000	1,650,000	-	1,650,000
Kandegge primary school	-	-	1,650,000	1,650,000	1,650,000	-
Thurbie primary school	-	-	1,650,000	1,650,000	1,650,000	-
Ngeny school for the hearing impaired	-	-	1,650,000	1,650,000	1,650,000	-
Orago primary school	-	-	1,650,000	1,650,000	1,650,000	-
Obumba primary school	-	-	1,650,000	1,650,000	1,650,000	-
Olik Oliero primary school	-	-	1,650,000	1,650,000	1,650,000	-
Omanyi primary school	-	-	1,650,000	1,650,000	1,650,000	-
Karunga Primary school	-	-	170,000	170,000	-	170,000

MUNORONI 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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Ngere Kagoro primary School	-	-	5,054,000	5,054,000	5,054,000	-
Nyatao Primary School	-	-	800,000	800,000	800,000	-
Bacho primary school	-	-	1,650,000	1,650,000	-	1,650,000
Kibigori Railways primary school	-	-	(800,000)	(800,000)	-	(800,000)
Kibigori primary school	-	-	50,000	50,000	-	50,000
Kipturi primary school	-	-	3,300,000	3,300,000	1,650,000	1,650,000
Tamu primary school	-	-	4,100,000	4,100,000	2,450,000	1,650,000
Wuok primary school	-	-	1,650,000	1,650,000	1,650,000	-
Obiayo primary school	700,000	-	1,650,000	2,350,000	2,350,000	-
Koru Township primary school	-	-	1,650,000	1,650,000	1,650,000	-
8.0 Secondary Schools Projects (List all the Projects)						
Mwai Abiero Ogen Secondary School	1,650,000	-	-	1,650,000	-	1,650,000
Ngere Kagoro Mixed Secondary School	2,450,000	-	5,000,000	7,450,000	-	7,450,000
Hon koyoo Mixed Secondary School	8,500,000	-	-	8,500,000	-	8,500,000
St. Rita Ramula Girls Secondary School	1,650,000	-	-	1,650,000	-	1,650,000
St. Augustine R.C Secondary School - Kandege	1,650,000	-	-	1,650,000	-	1,650,000
Mutwala Girls Secondary School	650,000	-	700,000	1,350,000	700,000	650,000
St. Stephens' Menara Secondary School	1,300,000	-	620,000	1,920,000	620,000	1,300,000
St. Boniface magare secondary school	-	-	800,000	800,000	800,000	-
Kibos Sugar Research secondary School	-	-	1,650,000	1,650,000	1,650,000	-

**Muhoroni Constituency Development Fund (M.C.D.F.)
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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Acheo Girls secondary school	-	-	303,964	303,964	-	303,964
Miwani secondary school	-	-	6,650,000	6,650,000	1,650,000	5,000,000
Songhor secondary school	-	-	1,650,000	1,650,000	1,650,000	-
Oduwo secondary school	-	-	1,650,000	1,650,000	1,650,000	-
Masara mixed secondary school	-	-	1,650,000	1,650,000	1,650,000	-
Muhoroni secondary school	-	-	2,450,000	2,450,000	2,450,000	-
9.0 Tertiary institutions Projects						
Total	-	-	-	-	-	-
10.0 Security Projects						
Kenya Rapid Deployment Unit Songhor	6,671,640			6,671,640	-	6,671,640
Kenya Rapid Deployment Unit Songhor	1,572,370			1,572,370	-	1,572,370
Fort Ternan Chiefs' Office	1,200,000			1,200,000	-	1,200,000
North East Kano Chiefs' Office	1,200,000			1,200,000	-	1,200,000
Ombeyi Chiefs' Office	1,200,000			1,200,000	-	1,200,000
Muhoroni Chiefs' Office	250,000			250,000	-	250,000
Nyangoma Chiefs' Office	250,000			250,000	-	250,000
Completion of A.C.C Office at Miwani			2,500,000	2,500,000	-	2,500,000
Total	12,844,010	-	2,500,000	14,844,010	-	14,844,010
11.0 Acquisition of assets						
11.1 Motor Vehicles	-			-	-	-

**Muhoroni 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
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
11.2 Muhoroni NGCDF Office	5,350,000		2,564,372	7,914,372	380,000	7,534,372
11.3 Purchase of furniture and equipment	-		-	-	-	-
11.4 Purchase of computers	-		-	-	-	-
Total	5,350,000	-	2,564,372	7,914,372	380,000	7,534,372
12.0 Other payments						
Muhoroni Sub County Treasury Office	1,550,000			1,550,000	1,421,631	128,369
Total	1,550,000	-	-	1,550,000	1,421,631	128,369
13.0 unallocated/unapproved fund						
Construction of Technical Training Institute			8,658,000	8,658,000	-	8,658,000
Road project			3,075,975	3,075,975	-	3,075,975
AIA				-	-	-
PMC					-	-
Total	-	-	11,733,975	11,733,975	-	11,733,975
GRANT TOTALS	137,088,879	4,538,622	69,367,724	210,995,225	96,792,892	114,202,334

(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)

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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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-Muhoroni 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.

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

Muhoroni Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 11th June 2020 for the period 1st July 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.

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO.	B 041056		55,040,876
AIE NO.	B 041149		4,000,000
AIE NO.	B 047621		20,000,000
AIE NO.	B 047986		6,000,000
AIE NO.	B 049394		14,000,000
AIE NO.	B 096623		9,000,000
AIE NO.	B 104419		15,000,000
AIE NO.	B 104529	56,791,749	
AIE NO.	B 124622	9,000,000	
AIE NO.	B 119583	8,500,000	
AIE NO.	B 119975	12,000,000	
AIE NO.	B 129178	7,000,000	
AIE NO.	B 128216	6,900,000	
AIE NO.	B 132272	6,000,000	
AIE NO.	B 126044	13,000,000	
AIE NO.	B 126233	7,000,000	
AIE NO.	B 105028	10,600,000	
AIE NO.	B 140671	12,000,000	
TOTAL		148,791,749	123,040,876

2. PROCEEDS FROM SALE OF ASSETS

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

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,546,000	3,460,000
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	2,321,280
Employer Contributions Compulsory national social security schemes	161,280	155,520
Total	3,707,280	5,936,800

Muhoroni 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. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	924,500	515,336
Electricity	45,000	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	129,000	152,200
Domestic travel and subsistence	-	22,800
Printing, advertising and information supplies & services	1,758,120	154,000
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	406,348	2,495,780
Other committee expenses	135,000	722,800
Committee allowance	1,706,000	2,917,050
Insurance costs	-	-
Specialised materials and services	136,500	-
Office and general supplies and services	677,690	518,800
Fuel , oil & lubricants	-	154,000
Other operating expenses	99,340	416,800
Bank service commission and charges	16,579	29,858
Other Operating Expenses	168,360	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	710,435
Routine maintenance- other assets	795,690	218,200
TOTAL	6,998,127	9,028,059

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	27,154,000	22,030,000
Transfers to secondary schools (see attached list)	12,820,000	16,930,000
Transfers to tertiary institutions (see attached list)	-	342,000
TOTAL	39,974,000	39,302,000

Muhoroni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,238,044	31,649,480
Bursary – tertiary institutions (see attached list)	11,542,360	21,011,827
Bursary – special schools (see attached list)	-	260,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,421,631	-
Sports projects (see attached list)	4,038,800	1,928,880
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	7,132,980	7,706,040
Total	45,373,815	62,556,227

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	380,000.00	3,210,314.00
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	359,670	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	739,670	3,210,314

9. OTHER PAYMENTS

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

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Kenya Commercial Bank, Muhoroni Branch. A/C no.1104058669</i>	56,537,479	4,538,622
Total	56,537,479	4,538,622
10B: CASH IN HAND		
Location 1	-	-
Total	-	-

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. GRATUITY

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

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	4,538,622	1,531,146
Cash in hand		
Imprest		
Total	4,538,622	1,531,146

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-		-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

**** The adjusted balances are not carried down on the face of the financial statement.
(Entity to provide disclosure on the adjusted amounts)**

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2021	2019 - 2020
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-

Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,521,295	-
Use of goods and services	726,681	65,384
Amounts due to other Government entities (see attached list)	63,773,964	57,865,000
Amounts due to other grants and other transfers (see attached list)	27,721,716	15,911,594
Acquisition of assets	7,174,702	64,369
Others (<i>specify</i>)	1,550,000	-
Funds pending approval	11,733,975	
	114,202,333	73,906,347

Muhoroni Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	0	8,091,793.00
	0	8,091,793.00

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

**Muhoroni 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.				
2.				
3.				
Sub-Total				
Grand Total				

**Muhoroni 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	payment of staff gratuity	1,521,295	(172,000)	
Use of goods & services	purchase of stationery	367,011	787,384	
Amounts due to other Government entities				
primary schools				
Nyang'ore Primary School	construction of 2 classrooms	1,650,000	-	
Oseng'teti Primary School	construction of 2 classrooms	1,650,000	-	
Makindu Primary School	construction of 2 classrooms	1,650,000	-	
Songhor Primary School	construction of 2 classrooms	1,650,000	-	
Oduwo Primary School	construction of 2 classrooms	1,600,000	-	
Ogilo Primary School	construction of 2 classrooms	1,650,000	-	
Sanda Primary School	construction of 3 classrooms	2,450,000	-	
Kolang Primary School	construction of 2 classrooms	1,650,000	-	
Magare Primary School	construction of 3 classrooms	2,450,000	-	
Nyagoto Primary School	construction of 2 classrooms	1,650,000	-	
Masara Primary School	construction of 2 classrooms	1,650,000	-	
Ramula Primary School	construction of classrooms	3,300,000	1,650,000	
Kibos Sugar Research Primary School	construction of 2 classrooms	1,650,000	-	

**Muhoroni Constituency
National Government Constituencies Development Fund (NGCDF)
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Mariwa Primary School	construction of 2 classrooms	1,650,000	-
Nyando Primary School	construction of 2 classrooms	1,650,000	-
Pawteng primary school	construction of 2 classrooms	1,650,000	1,650,000
Nyakoko primary school	construction of 2 classrooms	1,650,000	1,650,000
Kandege primary school	construction of 2 classrooms	-	1,650,000
Thurbiic primary school	construction of 2 classrooms	-	1,650,000
Ngeny school for the hearing impaired	construction of 2 classrooms	-	1,650,000
Orago primary school	construction of 2 classrooms	-	1,650,000
Obumba primary school	construction of 2 classrooms	-	1,650,000
Olik Oliero primary school	construction of 2 classrooms	-	1,650,000
Omanyi primary school	construction of 2 classrooms	-	1,650,000
Karunga Primary school	construction of 2 classrooms	170,000	170,000
Ngere Kagoro primary School	construction of 2 classrooms	-	5,054,000
Nyatao Primary School	construction of 2 classrooms	-	800,000
Bacho primary school	construction of 2 classrooms	1,650,000	1,650,000
Kibigori Railways primary school	construction of 2 classrooms	(800,000)	(800,000)
Kibigori primary school	construction of 2 classrooms	50,000	50,000
Kipturi primary school	construction of 2 classrooms	1,650,000	3,300,000
Tamu primary school	construction of 3 classrooms	1,650,000	4,100,000
Wuok primary school	construction of 2 classrooms	-	1,650,000

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Obiayo primary school	construction of 2 classrooms	-	1,650,000	
Koru Township primary school	construction of 2 classrooms	-	1,650,000	
Secondary Schools Projects				
Mwai Abiero Ogen Secondary School	construction of 2 classrooms	1,650,000	-	
Ngere Kagoro Mixed Secondary School	construction of 2 classrooms	7,450,000	5,000,000	
Hon koyoo Mixed Secondary School	construction of administration block and classrooms	8,500,000	-	
St. Rita Ramula Girls Secondary School	construction of 2 classrooms	1,650,000	-	
St. Augustine R.C Secondary School - Kandege	construction of 2 classrooms	1,650,000	-	
Mutwala Girls Secondary School	renovation of classrooms	650,000	700,000	
St. Stephens' Menara Secondary School	completion of dinning hall	1,300,000	620,000	
St. Boniface magare secondary school	completion of classrooms	-	800,000	
Kibos Sugar Research secondary School	construction of 2 classrooms	-	1,650,000	
Achege Girls secondary school		303,964	303,964	
Miwani secondary school		5,000,000	6,650,000	
Songhor secondary school	construction of 2 classrooms	-	1,650,000	
Oduwo secondary school	construction of 2 classrooms	-	1,650,000	
Masara mixed secondary school	construction of 2 classrooms	-	1,650,000	
Muhoroni secondary school	construction of 3 classrooms	-	2,450,000	
Sub-Total		65,662,270	59,513,348	

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Amounts due to other grants and other transfers				
Security Projects				
Kenya Rapid Deployment Unit Songhor	construction of 50 capacity hall	6,671,640	-	
Kenya Rapid Deployment Unit Songhor	completion of staff houses and construction of amery	1,572,370	-	
Fort Ternan Chiefs' Office	construction of chiefs office	1,200,000	-	
North East Kano Chiefs' Office	construction of chiefs office	1,200,000	-	
Ombeyi Chiefs' Office	construction of chiefs office	1,200,000	-	
Muhoroni Chiefs' Office	purchase of office furnitures	250,000	-	
Nyangoma Chiefs' Office	purchase of office furnitures	250,000	-	
Completion of A.C.C Office at Miwani	construction of DOs residential house	2,500,000	2,500,000	
Bursary				
Secondary Schools	Payment of bursary to needy student	7,548,769	(1,955,951)	
Tertiary Institutions	Payment of bursary to needy student	262,860	(5,433,124)	
Social Security		-	-	
Special Needs		-	-	
Sport	Carry out Constituency Sports tournament and the winning teams to be awarded with trophies, balls, and games kits	254,202	1,551,224	

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Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	3,491,375	3,432,148	
Environment	Supply and installation of one 10,000ltrs water tanks, construction of tank base and cuter works	2,742,132	354	
Sub-Total		29,143,348	94,651	
Acquisition of assets				
Construction of CDF office	renovation of the NGCDF office	7,534,372	2,564,372	
Others (specify)				
Muhoroni Sub County Treasury Office	renovation of subcounty treasury office	128,369		
Sub-Total		7,662,741	2,564,372	
Funds pending approval		11,733,975	11,733,975	
Grand Total		114,202,334	73,906,346	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	20,923,834	380,000	-	21,003,834
Buildings and structures	18,005,520	-	-	18,005,520
Transport equipment	3,070,109	-	-	3,070,109
Office equipment, furniture and fittings	217,000	-	-	217,000
ICT Equipment, Software and Other ICT Assets	95,000	359,670	95,000	359,670
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	42,311,463	-	-	42,656,137

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
God Abuoro primary school	KCB	1116529750	456	298
Jagir Singh primary school	CO-OPERATIVE BANK	1139012934001	-	8,477
Keyo primary school	CO-OPERATIVE BANK	1139015130901	-	2,373
Homalime primary school	KCB	1211329232	670	670
Menara primary school	KCB	1232722243	800	44
Ogen primary school	KCB	1211126684	750	750
Miwani Section 3 primary school	KCB	1110152299	720	719
Kore primary school	KCB	1226388256	824	-
Ogwedhi primary school	KCB	1114067865	1278	1,278
Chetuiyet primary school	KCB	1252394543	824	824
Karunga primary school	KCB	1255463198	49975	49,975
Muhoroni Factory primary school	KCB	1109557817	35733	35,733
Kigoche primary school	KCB	1253172927	649	649
Waware primary school	KCB	1251382231	2549	2,549
Nyalenya primary school	CO-OPERATIVE BANK	1139015034702	-	-
Kiliti primary school	KCB	1255038055	1149	1,149
Yago primary school	KCB	1168488575	285	237
Miwani Estate Primay School	KCB	1272655717	375	774,575
Orenge Primary School	KCB	1272647374	7664	1,650,000
Nyatao Primary School	KCB	1273787730	1075	790,095
Nyadundo Primary School	KCB	1273806182	475	768,175
Nyang Primary School	KCB	1273963504	795	1,651,000
Sauset Primary School	KCB	1272009599	475	255,695

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Ngeny Secondary school	KCB	1253177104	1790	1,790
St.Stephens Menara sec. school	KCB	1104075717	9043	9,294
Kibigori secondary school	KCB	1111796386	2985	2,985
St.Boniface Magare sec. school	KCB	1243365765	866	6,244
Our Lady Queen Of peace	KCB	1272870235	1143	689,395
God Abuoro Sec. School	KCB	1111865809	2034	1,386,820
Total			125,382	8,091,793

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1	<p>The following issues were noted from the review of financial statements</p> <ol style="list-style-type: none"> There no table of contents Cash flow statement – net cash from operating activities shown as Kshs. 6,173,900 but should be Kshs. 6,217,790 Statement of Appropriation – does not indicate that the figures are in “Kshs”. Also management to support budget figures including adjustments Management to avail support schedule for unutilized funds of Kshs. 73,906,347 in note 17.3 and explain the cause Bank balance certificate for PMC balances of Kshs. 8,091,793 as at 30 June 2020 should be availed for audit verification. 	<ol style="list-style-type: none"> The table of content was erroneously left out, it has since been availed. Attached is the copy The cash flow statement has since been corrected. Attached is the copy of the correction. “Kshs” was mistakenly left out in the statement of appreciation, it has since been corrected and Kshs indicated in the statement of appropriation. Unutilized funds of Kshs. 73,906,347 was caused by the late release of funds from the NG-CDF Board. As at 30th June 2020 the Board had not releases Kshs. 69,367,725.00 and the cash book balance of Kshs. 4,538,622.00. As at the time of audit the bank balance certificate were with the FMCs, the 	Fund account manager and district accountant	Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.4	<p>The reported bank balance of Kshs 8,824,292.64 as at 30/6/2020 as per the bank reconciliation statement was not supported by bank balance certificate. Thus, it was not possible to confirm the accuracy and completeness of the reported figure of cash and cash equivalents of Kshs 4,538,621.64.</p>	<p>management has since requested for certificates and availed. Attached is the copies of the bank balance certificate.</p> <p>As at the time of audit the bank balance certificate was erroneously filed, the management has since file it and availed. Attached is the copy of the certificate</p>	Fund account manager	Resolved
4.5	<p>Included in the reported figure of refurbishment of buildings is an amount of Kshs. 281,764 being payment for fixing of burglar proof doors and windows at National sub county treasury office at Chemelil. The works was fully done and completed but the project was not yet in use as at the time of audit verification therefore value for money is yet to be realized.</p>	<p>The National Treasury office has not been put into use because of the insecurity in the area. The District Accountant has requested the Deputy County Commissioner-Muhoroni subcounty to provide for security officers but the security officers are yet to be provided</p>	District accountant	December 2021