

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

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

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

THE NATIONAL ASSEMBLY
PAPERS LAYD

DATE: 23 FEB 2023

DAY: THURSDAY

TABLED

BY:

Leader of Majority
Party (LOM)

CHIEF AT
THE TABLE

Joyce Kemerelle



KABUCHAI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

To provide leadership and policy direction for effective and efficient management of the Fund

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The KABUCHAI 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	D. M. OKOMA
2.	Sub-County Accountant	GODFREY SIMIYU
3.	Chairman NGCDFC	CHARLES SIRENGO
4.	Member NGCDFC	FREDRICK MUTIEME

(d) Fiduciary Oversight Arrangements

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

P.O. Box 120-50202 Chwele
Along Kanduyi – Chwele Road
CHWELE, KENYA

(f) ABUCHAI Constituency NGCDF Contacts

Telephone: (254)787 883 580
E-mail: ngcdfkabuchai.go.ke
Website: www.ngcdf.go.ke

(g) KABUCHAI Constituency NGCDF Bankers

Cooperative Bank (01141536140900)
Bungoma Branch

KABUCHAI Bank (Cooperative Bank (01141536140900)
Bungoma Branch
P.O Box 120 - 50202
KABUCHAI

(h) Independent Auditors

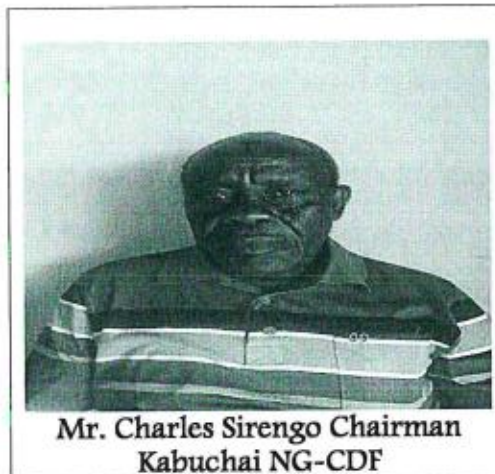
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(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

Include among others the following:



I feel privileged to have this opportunity of submitting our financial statement for the Financial Year 2020/2021 in line with the requirement of the NG-CDF Act 2015.

The constituency had an original budget of ksh.137,088,879 adjustments during the year were 70,701,541 leading to a final budget of ksh.207,821,575

Over the years, the Kabuchai NG-CDF has promptly disbursed funds to the Project Management Committee's (PMC's) for implementation of various projects. We have consequently recorded tremendous progress in various sectors as follows: -

1. Many need and vulnerable children have accessed education through the bursary schemes,
2. Construction of classrooms, laboratories, dormitories, and libraries and computer rooms has enhanced provision of quality education.
3. Promotion of environmental conservation, Aids awareness, sensitization on drug and substance abuse as well as promotion of Youth Sports,
4. The funds have also been used to provide security facilities.

However, the implementation of such projects has not gone without challenges;

1. Lack of sufficient funds as needs is limitless.
2. The problem of bit funding has slowed the period of completion of projects.
3. Lack of partners for co-funding has also been a challenge.

The entity is striving to prioritize projects and implement as stipulated in the strategic plan to ensure priority projects are funded and implemented to completion.

Finally we appreciate the role NG-CDF is playing in our development and it is my hope that it will be retained to continue serving as a vehicle for economic development of our country.

Signature



CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of *KABUCHAI Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

In underscoring the above, the key development objectives of NGCDFC-Kabuchai Constituency's 2018-2023 plan included but not limited to;

a) Strategic Area One: Education

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

Initiative: Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programmes that support education within the constituency.

b) Strategic Area Two: Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Kabuchai through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

c) Strategic Area Three: Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery

d) Strategic Area Four: Sports

Objective: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

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

e) Strategic Area Five: Information Communication and Technology (ICT)

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Objective: Enhance access to information and technology by Kabuchai residents and use ICT to enhance service delivery and spurring development.

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 20/21 -we increased number of classroom by 6 dormitories by 1 laboratories by 2 - Bursary beneficiaries' secondary 4,237 students, tertiary institutions beneficiaries 2,502 student.
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Enhanced conservation and restoration of forest and environment	Number of trees planted	In the FY 2020/2021, the NG CDFC – Kabuchai allocated kshs.101,547 to 27 schools for purchase and planting of tree seedlings 250 per school.
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve	Develop and enhance provincial administration and other security organs infrastructure to enhance	Number of usable physical infrastructure built in locations, sub locations and police stations	In the FY 2020/2021 Number of 'assistant chiefs' offices increased by 2 Number of Assistant county commissioner

Constituency Sector	Objective	Outcome	Indicator	Performance
	service delivery	service delivery		offices increased by 2
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	In the FY 2020/2021, Number of youth groups benefitting from the sports programme increased by 10
Emergency/Disaster Management	Enhance the disaster management programme	Enhanced disaster management exercise	Number of fire extinguishers, and exit doors and windows	In the FY 2020/2021, the NG CDFC recommended the installation of fire extinguishers in facilities and provide for enough exit areas in case of a tragedy.

FOR ACCOUNT MANAGER
KABUCHAI CONSTITUENCY
DEVELOPMENT FUND
P.O. Box 120, CHWELB - 50222

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

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

2. Environmental performance

The Kabuchai NG CDF has tremendously worked on the environmental conservations. Through planting of trees in various institutions, the environment has been and is being conserved. We have also allocated funds towards the installation of water tanks in schools, this has ensured quality and clean water for the institution. However, we have faced challenges in the process of environmental conservation; this includes the public leaving animals to destroy the planted trees in schools during holidays and beyond working hours when nobody is around.

3. Employee welfare

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

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

KABUCHAI 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-

KABUCHAI 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.

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

Public Awareness

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

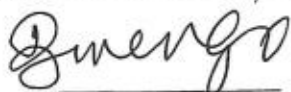
The Accounting Officer in charge of the NGCDF-KABUCHAI Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-KABUCHAI Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- KABUCHAI 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 KABUCHAI 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- KABUCHAI Constituency financial statements were approved and signed by the Accounting Officer on 25/7/ 2022.



Chairman NGCDF Committee
Name:



Fund Account Manager
Name:

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KABUCHAI 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 - Kabuchai Constituency set out on pages 1 to 38,

which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of 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 - Kabuchai Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Cash and Cash Equivalent

The statement of assets and liabilities and as disclosed in Note 10(a) to the financial statements, reflects cash and cash equivalents balance of Kshs.14,015,983 which relates to the Fund's bank balance in Co-operative bank. However, the balance differs with the reconciled cash book balance of Kshs.14,006,982 by Kshs.9,001.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.14,015,983 could not be confirmed.

2. Transfers to Other Government Entities

The statement of receipts and payments reflects an amount of Kshs.64,988,970 under transfers to other Government entities as disclosed in Note 6, which includes Kshs.41,398,970 and Kshs.23,590,000 relating to transfers to primary schools and secondary schools respectively.

Review of records revealed that a total of Kshs.2,300,000 was transferred to two primary schools while a total of Kshs.5,000,000 was transferred to five (5) secondary schools for the purchase of land.

However, titles of ownership for the land purchased by the seven schools were not provided for audit review.

In the circumstances, the ownership of the land valued at Kshs.7,300,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kabuchai Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the

ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation indicates that during the year under review, the Fund had a final approved budget of Kshs.207,999,575 but realized actual receipts of Kshs.158,756,879 resulting to a underfunding of Kshs.49,242,696 or 24% of the budget. Further, the statement indicates that out of the actual receipts of Kshs.158,756,879, the Fund utilized only Kshs.144,740,896 or 91% of actual receipts resulting to under-utilization of Kshs.14,015,983 of available funds.

In the circumstances, the under-funding and under-utilization of funds affected the planned activities and may have impacted negatively on services delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect

a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal 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 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 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 control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 September, 2022

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	158,547,724	124,735,058
Other Receipts	3	178,000	-
TOTAL RECEIPTS		158,725,724	124,735,058
PAYMENTS			
Compensation of employees	4	2,839,639	2,952,239
Use of goods and services	5	10,048,097	12,266,356
Transfers to Other Government Units	6	64,988,970	52,305,860
Other grants and transfers	7	64,922,413	54,023,355
Acquisition of Assets	8	1,941,777	3,000,000
Other Payments	9	-	1,445,173
TOTAL PAYMENTS		144,740,896	125,992,983
SURPLUS/(DEFICIT)		13,984,828	(1,257,925)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABUCHAI Constituency financial statements were approved on 25/7/ 2022 and signed by:



Fund Account Manager
Name: JOYCE WANJALA



National Sub-County
Accountant
Name: GODFREY SIMIYU
ICPAK M/No:



Chairman NG-CDF Committee
Name: CHARLES SIRENGO

KABUCHAI 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	14,015,983	31,155
Total Cash and Cash Equivalents		14,015,983	31,155
Accounts Receivable			
TOTAL FINANCIAL ASSETS		14,015,983	31,155
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
TOTAL FINANCIAL LIABILITIES		14,015,983	31,155
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd.	13	31,155	1,289,080
Surplus/Deficit for the year		13,984,828	(1,257,925)
NET FINANCIAL POSITION		14,015,983	31,155

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABUCHAI Constituency financial statements were approved on 25/7/2022 and signed by:


Fund Account Manager

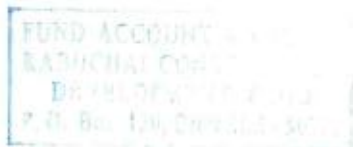
Name: JOYCE WANJALA


National Sub-County Accountant

Name: GODFREY SIMIYU
ICPAK M/No:


Chairman NG-CDF Committee

Name: CHARLES SIRENGO

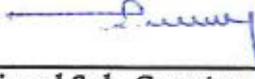


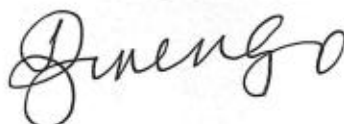
IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	158,547,724	124,735,058
Other Receipts	3	178,000	-
Total receipts		158,725,724	124,735,058
Payments for operating activities			
Compensation of Employees	4	2,839,639	2,952,239
Use of goods and services	5	10,048,097	12,266,356
Transfers to Other Government Units	6	64,988,970	52,305,860
Other grants and transfers	7	64,922,413	54,023,355
Other Payments	9	-	1,445,173
Total payments		142,799,119	122,992,983
Total Receipts Less Total Payments			
Adjusted for:		-	-
Net cash flow from operating activities		15,926,605	1,742,075
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	9	(1,941,777)	(3,000,000)
Net cash flows from Investing Activities		(1,941,777)	(3,000,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		13,984,828	(1,257,925)
Cash and cash equivalent at BEGINNING of the year	10	31,155	1,289,080
Cash and cash equivalent at END of the year		14,015,983	31,155

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KABUCHAI Constituency financial statements were approved on 25/7/ 2022 and signed by:


Fund Account Manager
Name: JOYCE WANJALA


National Sub-County
Accountant
Name: GODFREY SIMIYU
ICPAK M/No:


Chairman NG-CDF Committee
Name: CHARLES SIRENGO

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

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget A	Adjustments		Final Budget c=a+b	Actual on comparable basis D	Budget utilization Difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements b				
RECEIPTS	2020/2021	Kshs	Kshs	2020/2021	30/06/2021	Kshs	
Transfers from NGCDF Board	137,088,879	31,155	70,701,541	207,821,575	158,756,879	49,064,696	76%
Proceeds from Sale of Assets				-	-	-	0%
Other Receipts		178,000		178,000	-	178,000	0%
TOTALS	137,088,879	209,155	70,701,541	207,999,575	158,756,879	49,242,696	76%
PAYMENTS							
Compensation of Employees	3,581,000		586	3,581,586	2,839,639	741,947	79%
Use of goods and services	8,756,998	31,155	654,404	9,442,557	10,048,097	(605,540)	106%
Transfers to Other Government Units	59,900,000		38,488,970	98,388,970	64,988,970	33,400,000	66%
Other grants and transfers	54,909,104		27,403,764	82,312,868	64,922,413	17,390,455	79%
Acquisition of Assets	4,941,777		-	4,941,777	1,941,777	3,000,000	39%
Funds pending approval**	5,000,000	178,000	4,153,817	9,331,817	-	9,331,817	0%
TOTALS	137,088,879	209,155	70,701,541	207,999,575	144,740,896	63,258,679	70%

- a) Receipts from sale of tender documents kshs. 119,000 hire of plant/equipment/facilities kshs. 59,000 form part of AIA
- b) Commentary on significant underutilization and any overutilization
- Unutilized fund for compensation of employees includes gratuity accumulation.
 - Overutilization on use of goods is as a result of under budgeting at the beginning of the financial year.
 - Underutilization on transfer to other government grants is due to the delayed disbursement of funds by the board
 - Underutilization on other grants is due to delays in fund disbursement by the board
 - Other payments include funds not yet approved by the board hence zero utilization

The changes in between the original budget and the final budget is due to the delays by the Board to release funds within the financial and failure to approval some proposed project activities within a given financial year.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	63,258,679
Less undisbursed funds receivable from the Board as at 30 th June 2021	49,242,696
	14,015,983
Cash and Cash Equivalents at the end of the FY 2020/2021	14,015,983

The NGCDF-KABUCHAI Constituency financial statements were approved on 25/7/ 2022 and signed by:



Fund Account Manager

Name: JOYCE WANJALA



**National Sub-County
Accountant**

**Name: GODFREY SIMIYU
ICPAK M/No:**



**Chairman NG-CDF
Committee**

Name: CHARLES SIRENGO

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,581,000	-	586.	3,581,586	2,839,639	741,947	
1.2 Committee allowances	1,440,000	-	313,474	1,753,474	1,753,200	274	100
1.3 Use of goods and services	3,204,332	31,155	217,830	3,453,317	3,589,935	(136,618)	104
Total	8,225,332	31,155	531,890	8,788,377	8,182,774	605,603	204
2.0 Monitoring and evaluation							
2.1 Capacity building	1,500,000	-		1,500,000	1,498,382	1,618	100
2.2 Committee allowances	1,580,000	-	22,000	1,602,000	2,082,500	(480,500)	130
2.3 Use of goods and services	1,032,666	-	101,100	1,133,766	1,124,080	9,686	99
Total	4,112,666	-	123,100	4,235,766	4,704,962	(469,196)	329
3.0 Emergency							
3.1 Emergency	-	-	-	-	-	-	
3.1 Primary Schools	2,900,000	-	-	2,900,000	2,900,000	-	100
3.2 Secondary schools	2,600,000	-	-	2,600,000	2,600,000	-	100
3.4 Security projects	1,000,000	-	-	1,000,000	1,000,000	-	100
3.5 Unutilised	692,207		-	692,206	-	692,206	-

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

Total	7,192,207	-	-	7,192,206	6,500,000	692,206	90
4.0 Bureau and Social Security							
4.1 Secondary Schools	15,341,931	-	6,878,069	22,220,000	22,220,000	-	100
4.2 Tertiary Institutions	16,891,412	-	8,682,238	25,573,650	25,573,650	-	100
4.3 Social Security	-	-	-	-	-	-	-
4.4 Special Needs	-	-	-	-	-	-	-
Total	32,233,343	-	15,560,306	47,793,650	47,793,650	-	100
5.0 Sports							
5.1 Sports Activities	2,741,777	-	1,337,863	4,079,640	4,079,640	-	100
Total	2,741,777	-	1,337,863	4,079,640	4,079,640	-	100
6.0 Environment							
6.1 Environmental Activities	2,741,777	-	47,353	2,789,130	2,789,123	7	100
Total	2,741,777	-	47,353	2,789,130	2,789,123	7	100
7.0 Primary Schools Projects							
Chenjeru Primary School	400,000	-	-	400,000	400,000	-	100
Hon Moses Wetangula Sango Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100
Chekwarda Primary School	1,000,000	-	-	1,000,000	-	1,000,000.	-
Milenbe Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100
St Walumoli Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100
Sirwa Primary School	1,300,000	-	1,000,000	2,300,000	2,000,000	300,000	87

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

Lubembe Primary School	2,000,000	-	300,000	2,300,000	300,000	2,000,000	13
Wabukhonyi SA Primary School	1,000,000	-	1,000,000	2,000,000	2,000,000	-	100
Sanandiki SA Primary School	1,000,000	-	900,000	1,900,000	900,000	1,000,000	47
Walukaya Primary School	1,000,000	-	900,000	1,900,000	900,000	1,000,000	47
Lwanda PEFA Primary School	3,000,000	-	-	3,000,000	3,000,000	-	100
Namikelo Primary School	1,000,000	-	-	1,000,000	-	1,000,000	-
Nangubo Primary School	1,000,000	-	1,000,000	2,000,000	1,000,000	1,000,000	50
Khatiri Primary School	1,000,000	-	-	1,000,000	-	1,000,000	-
Nalondo RC Primary School	600,000	-	300,000	900,000	300,000	600,000	33
Chemwa RC Primary School	600,000	-	500,000	1,100,000	500,000	600,000	45
Sitila Primary School	600,000	-	650,000	1,250,000	650,000	600,000	52
Sawali Primary School	1,300,000	-	-	1,300,000	-	1,300,000	-
Chebukwa DEB Primary School	600,000	-	-	600,000	600,000	-	100
Kabuchai Primary School	600,000	-	500,000	1,100,000	500,000	600,000	45
Pongola Primary School	600,000	-	500,000	1,100,000	1,100,000	-	100
Marobo Primary School	800,000	-	-	800,000	800,000	-	100
Mikaya Primary School	500,000	-	-	500,000	500,000	-	100
Namaondo CBM Primary School	2,000,000	-	900,000	2,900,000	900,000	2,000,000	31

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

Ngalasia Primary School	600,000	-	-	600,000	600,000	-	100
Kuywa Special Primary School	3,000,000	-	-	3,000,000	3,000,000	-	100
Matibo FYM Primary School	1,300,000	-	-	1,000,000	1,000,000	1,300,000	43
Nasaka primary school	-	-	-	1,200,000	1,200,000	-	100
Baraki primary school	-	-	-	700,000	700,000	-	100
Kisiwa primary school	-	-	-	500,000	500,000	-	100
kuywa primary school	-	-	-	500,000	500,000	-	100
sikata primary school	-	-	-	530,000	530,000	-	100
samita primary school	-	-	-	700,000	700,000	-	100
nalondo CBM primary school	-	-	-	1,900,000	1,900,000	-	100
chekulo fym primary school	-	-	-	800,000	800,000	-	100
sikusi primary school	-	-	-	700,000	700,000	-	100
kiboochi primary school	-	-	-	18,970	18,970	-	100
makhonge primary school	-	-	-	900,000	900,000	-	100
sichei primary school	-	-	-	1,000,000	1,000,000	-	100
nangwe primary school	-	-	-	800,000	800,000	-	100
musokho primary school	-	-	-	500,000	500,000	-	100
luucho primary school	-	-	-	500,000	500,000	-	100

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

nanligi primary school	-	-	700,000	700,000	700,000	-	100
nakitumba primary school	-	-	800,000	800,000	800,000	-	100
misiri primary school	-	-	1,000,000	1,000,000	1,000,000	-	100
chebukaka girls primary	-	-	1,000,000	1,000,000	1,000,000	-	100
lukhuna primary school	-	-	1,000,000	1,000,000	1,000,000	-	100
namusinbi primary school	-	-	700,000	700,000	700,000	-	100
lukhome primary school	-	-	1,000,000	1,000,000	1,000,000	-	100
Total	29,800,000	-	26,898,970	56,698,970	41,398,970	15,300,000	73
8.0 Secondary Schools Projects							
Busakala Secondary School	2,500,000	-	-	2,500,000	2,500,000	-	100
Bwake Secondary School	3,900,000	-	-	3,900,000	3,500,000	400,000	90
Chekulo Baptist Secondary School	1,100,000	-	-	1,100,000	-	1,100,000	-
Mikaya Secondary School	3,200,000	-	1,200,000	4,400,000	3,200,000	1,200,000	73
Chekulo Friends Secondary School	800,000	-	800,000	1,600,000	800,000	800,000	50
Lukhome Secondary School	1,000,000	-	600,000	1,600,000	600,000	1,000,000	38
Chenjeni Secondary School	2,700,000	-	-	2,700,000	-	2,700,000	-
Chebunyinyi ACK Secondary School	3,000,000	-	-	3,000,000	-	3,000,000	-
St Anne Sirare Secondary School	3,000,000	-	250,000	3,250,000	3,250,000	-	100
Luuva Girls Secondary School	1,200,000	-	-	1,200,000	-	1,200,000	-
Makhonge Secondary School	1,000,000	-	-	1,000,000	-	1,000,000	-

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

St Kizito Mukhweya Secondary School	1,000,000	-	170,000	1,170,000	170,000	1,000,000	15
Nangwe Girls Secondary School	1,500,000	-	170,000	1,670,000	170,000	1,500,000	10
Kasosi Secondary School	1,000,000	-	-	1,000,000	-	1,000,000	-
nasaka secondary school	1,000,000	-	-	1,000,000	1,000,000	-	100
Pongola Secondary School	1,200,000	-	-	1,200,000	-	1,200,000	-
Chemwa Secondary School	1,000,000	-	700,000	1,700,000	700,000	1,000,000	41
wabukhonyi secondary school	-	-	900,000	900,000	900,000	-	100
st. peters lurende secondary school	-	-	200,000	200,000	200,000	-	100
khatiri secondary school	-	-	200,000	200,000	200,000	-	100
kimalewa secondary school	-	-	500,000	500,000	500,000	-	100
kabuchai girls secondary school	-	-	500,000	500,000	500,000	-	100
chebukaka girls secondary school	-	-	1,500,000	1,500,000	1,500,000	-	100
marobo boys secondary school	-	-	1,000,000	1,000,000	1,000,000	-	100
kibichori secondary school	-	-	900,000	900,000	900,000	-	100
teremi boys high school	-	-	1,000,000	1,000,000	1,000,000	-	100
madisi secondary school	-	-	1,000,000	1,000,000	1,000,000	-	100
Total	30,100,000	-	11,590,000	41,690,000	23,590,000	18,100,000	57
10.0 Security Projects							
Kuywa Chief Office	400,000	-	-	400,000	-	400,000	-

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

DCC Residential House	500,000	-	-	500,000	500,000	-	100
Chwele Police Station	4,400,000	-	700,000	5,100,000	700,000	4,400,000	14
Kabuchai ACC office	3,800,000	-	-	3,800,000	-	3,800,000	-
North Bukusu Assistant Chief Office	300,000	-	-	300,000	-	300,000	-
North Bukusu Chief Office	600,000	-	-	600,000	-	600,000	-
assistant chief office kabuchai	-	-	60,000	60,000	60,000	-	100
assistant chief office nalondo	-	-	600,000	600,000	600,000	-	100
assistant county commissioner office mukuyuni	-	-	800,000	800,000	800,000	-	100
chief office sichei	-	-	400,000	400,000	400,000	-	100
Sirare assistant chiefs office	-	-	200,000	200,000	200,000	-	100
assistant county commissioner office nalondo	-	-	500,000	500,000	500,000	-	100
Total	10,000,000	-	3,260,000	13,260,000	3,760,000	9,500,000	28
9.0 Tertiary institutions Projects							
KMTC Sichei	-	-	7,198,241	7,198,241	-	7,198,241	-
Total	-	-	7,198,241	7,198,241	-	7,198,241	-
11.0 Acquisition of assets							
11.1 Purchase of furniture and equipment	4,941,777	-	-	4,941,777	1,941,777	3,000,000	39
Total	4,941,777	-	-	4,941,777	1,941,777	3,000,000	39
12.0 Other payments							
Total	-	-	-	-	-	-	-
13.0 unallocated fund							

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

Unapproved projects	5,000,000		4,153,817	9,153,817	-	9,153,817	-
ALA	-	178,000	-	178,000	-	178,000	-
PMC savings				-	-	-	-
Total	5,000,000	178,000.	4,153,817	9,331,817	-	9,331,817	-
	137,088,879	209,155	70,701,541	207,999,575	144,740,896	63,258,679	70

STATEMENT OF APPROPRIATION EXTRACT (FOR COMPARISON OF APPROPRIATION STATEMENT PAYMENTS TOTALS AND BUDGET EXECUTION TOTALS)

Receipt/Expense Item	Original Budget a	Opening Balance (C/Bk and ALA)	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
PAYMENTS							
Compensation of Employees	3,581,000	-	586	3,581,586	2,839,639	741,947	1
Use of goods and services	8,756,998	31,155	654,404	9,442,557	10,048,097	(605,540)	1
Transfers to Other Government Units	59,900,000	-	38,488,970	98,388,970	64,988,970	33,400,000	1
Other grants and transfers	54,909,104	-	27,403,764	82,312,868	64,922,413	17,390,455	1
Acquisition of Assets	4,941,777	-	-	4,941,777	1,941,777	3,000,000	-
Other payments	-	-	-	-	-	-	0
UNALLOCATED FUND	5,000,000	178,000	4,153,817	9,331,817	-	9,331,817	
TOTAL	137,088,879	209,155	70,701,541	207,999,575	144,740,896	63,258,679	1

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-KABUCHAI Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash equivalent.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition

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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 xx June 20xx for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

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

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

15. Related Party Transactions

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

XII. NOTES TO THE FINANCIAL STATEMENTS**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO.B005108	1		53,885,058
AIE NO.B030184	2		4,000,000
AIE NO.B030428	3		2,850,000
AIE NO.B006370	4		16,000,000
AIE NO.B042761	5		7,000,000
AIE NO.B047007	6		15,000,000
AIE NO.B041783	7		11,000,000
AIE NO.B047450	8		15,000,000
AIE NO.B049280	1	15,000,000	
AIE NO. B104607	2	20,000,000	
AIE NO.B096956	3	31,547,724	
AIE NO.B124528	5	9,000,000	
AIE NO.B119810	6	12,000,000	
AIE NO.B128100	7	13,300,000	
AIE.NO.B128412	8	7,000,000	
AIE.NO.B132156	9	6,000,000	
AIE.NO.B138824	10	13,000,000	
AIE.NO.B126119	11	7,000,000	
AIE.NO.B126409	12	12,700,000	
AIE.NO.B130410	13	12,000,000	
TOTAL		158,547,724	124,735,058

2. PROCEEDS FROM SALE OF ASSETS

FUND ACCOUNT NO. 10
KABUCHAI CONSTITUENCY
DEVELOPMENT FUND
P.O. BOX 428, CHUKWANA, KENYA

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of tender documents	119,000	
Hire of plant/equipment/facilities	59,000	
Total	178,000	

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,033,559	2,767,314
Personal allowances paid as part of salary		
House Allowance	348,000	-
Transport Allowance	348,000	-
Leave allowance	28,000	-
Employer Contributions Compulsory national social security schemes	82,080	184,925
TOTAL	2,839,639	2,952,239

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	10,330	9,450
Electricity	30,000	20,000
Office rent	-	-
Communication, supplies and services	500,000	0
Domestic travel and subsistence	1,200,000	0
Training expenses	1,498,382	2,593,000
Hospitality supplies and services	467,127	0
Other committee expenses	456,373	1,810,600
Committee allowance	3,835,700	1,346,126
Specialised materials and services	170,000	-
Office and general supplies and services	700,000	0
Fuel , oil & lubricants	730,000	600,000
Other operating expenses		1,374,000
Bank service commission and charges	151,185	86,840
Other Operating Expenses	-	3,720,180
Routine maintenance - vehicles and other transport equipment	112,000	706,160
Routine maintenance- other assets	187,000	0
TOTAL	10,048,097	12,266,356



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	41,398,970	24,194,860
Transfers to secondary schools (see attached list)	23,590,000	28,111,000
TOTAL	64,988,970	52,305,860

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,220,000	14,581,883
Bursary – tertiary institutions (see attached list)	25,573,650	16,149,440
Security projects (see attached list)	3,760,000	5,740,000
Sports projects (see attached list)	4,079,640	2,380,817
Environment projects (see attached list)	2,789,123	4,711,215
Emergency projects (see attached list)	6,500,000	10,460,000
TOTAL	64,922,413	54,023,355

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Refurbishment of Buildings	-	3,000,000
Purchase of ICT Equipment, Software and Other ICT Assets	1,941,777	-
Total	1,941,777	3,000,000

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Gratuity civil servants	-	1,445,173
TOTAL	-	1,445,173

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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>Cooperative Bank of Kenya, Bungoma Branch . Kabuchai NG-CDF A/C no.1141536140900</i>	14,015,983	31,155
Total	14,015,983	31,155
10B: CASH IN HAND		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

2A. RETENTION

12B. GRATUTTY

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	31,155	1,289,080
Total	31,155	1,289,080

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	31,155		31,155
TOTAL	31,155		31,155

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

17.2: PENDING STAFF PAYABLES (See Annex 2)

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	741,947	586
Use of goods and services	(605,540)	654,404
Amounts due to other Government entities (see attached list)	33,400,000	38,488,970
Amounts due to other grants and other transfers (see attached list)	17,390,455	27,403,764
Acquisition of assets	3,000,000	
Funds pending approval	9,331,817	4,153,817
TOTAL	63,258,679	70,701,541

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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)	15,535,871	16,111,200
TOTAL	15,535,871	16,111,200

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. BRIGID KATASI	Accounts assistant	1/12/2019	81,507	
2. CARO MAKAILI	Records officer	1/12/2019	66,056	
3. MARTHA BULUMA	Clerical officer	1/12/2019	66,056	
4. MOSES MASINDE	Driver	1/12/2019	48,210	
5. 5. AMOS WANYONYI	Security officer	1/12/2019	34,503	
6. 6.MERCY WANYAMA	Support staff	1/12/2019	34,503	
7. 7.SAMUEL WANYAMA	Security	1/12/2019	21,700	
Sub-Total			352,538	
Grand Total			352,538	

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1 ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21 Kshs	Outstanding Balance 2019/20 Kshs	Comments
1.0 Administration and Recurrent				
1.1 Compensation of employees	payment of employees' salaries gratuity	741,947	586	
1.2 Committee allowances	committee expenses payment	274	313,474	
1.3 Use of goods and services	purchase of fuel, repairs, supplies and printing	(136,618)	217,830	
2.0 Monitoring and evaluation				
2.1 Capacity building	PMC, STAFF and NGCDFC training	-	-	
2.2 Committee allowances	committee expenses payment	1,618	22,000	
2.3 Use of goods and services	purchase of fuel, repairs, supplies and printing	(480,500)	101,100	
3.0 Emergency				
3.1 Emergency		9,686		
3.5 Unutilised	to cater for unforeseen occurrences	692,207	-	
4.0 Bursary and Social Security				
4.1 Secondary Schools	bursary awards to need students	-	6,878,069	
4.2 Tertiary Institutions	bursary awards to need students	-	8,682,238	
4.3 Social Security		-	-	
4.4 Special Needs		-	-	
5.0 Sports				
5.1 Sports Activities	facilitation of tournaments in the constituency	-	1,337,863	
6.0 Environment				
6.1 Environmental Activities	planting of three and water harvesting	7	47,353	
7.0 Primary Schools Projects				
Chekwarda Primary School	construction of one classroom	1,000,000	-	
Sirwa Primary School	completion of one classroom	300,000	1,000,000	
Lubembe Primary School	purchase of one acre land and construction of one classroom	2,000,000	300,000	
Wabukhonyi SA Primary School	construction of one classroom	-	1,000,000	

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Sanandiki SA Primary School	construction of one classroom	1,000,000	900,000	
Walukaya Primary School	construction of one classroom	1,000,000	900,000	
Namikelo Primary School	construction of one classroom	1,000,000	-	
Nangubo Primary School	construction of one classroom	1,000,000	1,000,000	
Khatiri Primary School	construction of one classroom	1,000,000	-	
Nalondo RC Primary School	renovation of four classrooms	600,000	300,000	
Chemwa RC Primary School	renovation of four classrooms	600,000	500,000	
Sitila Primary School	renovation of four classrooms	600,000	650,000	
Sawali Primary School	construction of one classroom and completion one classroom	1,300,000	-	
Kabuchai Primary School	renovation of four classrooms	600,000	500,000	
Fongola Primary School	renovation of four classrooms	-	500,000	
Namaondo CBM Primary School	construction of two classrooms	2,000,000	900,000	
Matibo FYM Primary School	purchase of one acre land	1,300,000	1,000,000	
Nasaka primary school	renovation of staff room	-	1,200,000	
Baraki primary school	renovation of four classrooms	-	700,000	
Kisiwa primary school	renovation of four classrooms	-	500,000	

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kuywa primary school	renovation of four classrooms	-	500,000	
sikata primary school	construction of five pitlatrines	-	530,000	
samita primary school	completion of one classroom	-	700,000	
nalondo CBM primary school	construction of two classrooms	-	1,900,000	
chekulo fym primary school	construction of eight pit latrines	-	800,000	
sikusi primary school	construction of one classroom	-	700,000	
kiboochi primary school	completion of one classroom	-	18,970	
makhonge primary school	construction of one classroom	-	900,000	
sichei primary school	renovation of one classroom	-	1,000,000	
nangwe primary school	purchase of land	-	800,000	
musokho primary school	renovation of two classrooms	-	500,000	
luucho primary school	Construction of one classroom	-	500,000	
nangili primary school	construction of one classroom	-	700,000	
nakitumba primary school	construction of eight pit latrines	-	800,000	
misri primary school	construction of one classroom	-	1,000,000	
chekukaka girls primary	completion of administration block	-	1,000,000	

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lukhuna primary school	completion of two classrooms and land fina payment	-	1,000,000	
namusimbi primary school	purchase of one acre land	-	700,000	
lukhome primary school	renovation of four classrooms	-	1,000,000	
8.0 Secondary Schools Projects				
Bwake Secondary School	School bus repayment	400,000	-	
Chekulo Baptist Secondary School	completion of five classrooms	1,100,000	-	
Mikayu Secondary School	completion of ICT lab	1,200,000	-	1,200,000
Chekulo Friends Secondary School	purchase of one acre and	800,000		800,000
lukhome Secondary School	completion of administration block	1,000,000		600,000
Chenjeji Secondary School	construction of three classrooms	2,700,000		-
Chebunyinyi ACK Secondary School	purchase of one acre land and construction of administration block	3,000,000		-
St Anne Sirare Secondary School	completion of land payment	-	250,000	
Luuya Girls Secondary School	completion of twin laboratory	1,200,000	-	
Makhonge Secondary School	construction of one classroom	1,000,000	-	
St Kizito Mukhweya Secondary School	purchase of one acre land	1,000,000		170,000
Nangwe Girls Secondary School	construction of dormitory	1,500,000		170,000
Kasosi Secondary School	construction of one classroom	1,000,000	-	
Pongola Secondary School	purchase of one acre land	1,200,000	-	
Chemwa Secondary School	construction of one classroom	1,000,000		700,000
wabukhonyi secondary school	completion of four classrooms	-		900,000

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st. peters luredende secondary school	completion of one classroom	-	200,000	
khatiri secondary school	completion of one classroom	-	200,000	
kimalewa secondary school	completion of dormitory	-	500,000	
kabuchai girls' secondary school	construction of five pit latrines	-	500,000	
chebukaka girls' secondary school	renovation of multipurpose hall and generator purchase	-	1,500,000	
marobo boys' secondary school	construction of one classroom	-	1,000,000	
kibichori secondary school	construction of one classroom	-	900,000	
teremi boys' high school	completion of dormitory	-	1,000,000	
madisi secondary school	purchase of one acre land	-	1,000,000	
10.0 Security Projects		-		
Kuywa Chief Office	construction of office	400,000	-	
Chwele Police Station	construction of administration block	4,400,000	700,000	
Kabuchai ACC office	completion of administration block	3,800,000	-	
North Bukusu Assistant Chief Office	construction of office	300,000	-	
North Bukusu Chief Office	construction of office	600,000	-	
assistant chief office kabuchai	construction of office	-	60,000	
assistant chief office nalondo	purchase of land	-	600,000	
assistant county commissioner office mukuyuni	completion of administration block	-	800,000	

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chief office sichel	completion of office	-	400,000	
Sitare assistant chiefs' office	completion of office	-	200,000	
assistant county commissioner office malondo	completion ACC residence	-	500,000	
9.0 Tertiary institutions Projects				
KMTC Sichel	purchase of 51-seater bus	7,198,241	7,198,241	
11.0 Acquisition of assets				
11.1 Purchase of furniture and equipment	construction of perimeter wall	3,000,000	-	
Total			-	
12.0 Other payments				
Unapproved projects		9,153,817	4,153,817	
ALA	receipts from sale of tender and mult purpose hall hire	178,000	-	
PMC savings				
Total		63,258,679	70,701,541	



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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	800,000			800,000
Buildings and structures	12,500,000			12,500,000
Transport equipment	6,158,843			6,158,843
Office equipment, furniture, and fittings	2,762,000			2,762,000
ICT Equipment, software and Other ICT Assets	758,000			758,000
Total	22,979,043			22,979,043

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

Pmc	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
Kabuchai Const. Sports C	Cooperative Bank Bungoma	1141668565600	472	4,712
Nalondo CBM primary school	Cooperative Bank Bungoma	01141049313500	428,460	19,772
Kabuchai Const.Environ	Cooperative Bank Bungoma	1141668506200	867	6,226
Kasosi Primary School	Cooperative Bank Bungoma	1141049673300	201,025	-
Chebunyinyi Primary School	Cooperative Bank Bungoma	011416692944000	1,464	-
Sikusi Rc Primary School	Cooperative Bank Bungoma	01141049852400	4,400	-
Kuywa Primary School	Cooperative Bank Bungoma	1141668517800	25,061	-
Namaondo Primary	Cooperative Bank Bungoma	1141049275900	5,998	1,957
Nalondo Rc Primary School	Cooperative Bank Bungoma	1141668243800	2,773	3,213
Matibo Fym Primary School	Cooperative Bank Bungoma	1141427050000	9,910	5,870
Samita Primary School	Cooperative Bank Bungoma	1141425877800	114	3,874
Chekulo Fym Primary School	Cooperative Bank Bungoma	1141011497600	61,335	1,569
Makhonge Sa Primary	Cooperative Bank Bungoma	01141668244200	98	00
Sirwa Primary School	Cooperative Bank Bungoma	01141669786400	1,014,885	1,325
Sanandiki Sa Primary	Cooperative Bank Bungoma	01141668503200	581	00
Luucho Primary School	Cooperative Bank Bungoma	01141536267000	504,032	5,472
Teremi Primary School	Cooperative Bank Bungoma	01141049006800	2,558	00
Sikulu Primary School	Cooperative Bank Bungoma	01141049310500	2,235	-
Hon. Wetangula Sango Primary	Cooperative Bank Bungoma	01139050212300	1,594	857,554
Milembe Primary School	Cooperative Bank Bungoma		33,875	00
St. Walumoli Primary School	Cooperative Bank Bungoma	01141425757300	1,950,200	1,002,675
Nangwe Rc Primary School	Cooperative Bank Bungoma	01141049429100	15,328	8,288

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

Pmc	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
Marobo Primary School	Cooperative Bank Bungoma	01141668235000	400,993	--
Lwanda Pefa Primary	Cooperative Bank Bungoma	1141669343700	1,385,465	-
Kiboochi Primary	Cooperative Bank Bungoma	1141049257201	393	554,120
Namikelo Primary School	Cooperative Bank Bungoma	1141050284700		-
Chebukaka Girls Primary	Cooperative Bank Bungoma	1141011500400	11,990	5,000
Sikata Primary School	Cooperative Bank Bungoma	01141011518300	12,911	-
Sirare Rc Primary School	Cooperative Bank Bungoma	1141049449301	90	-
Chenjeni Ersf Primary School	Cooperative Bank Bungoma	01141049968500	121,571	-
Lubembe Primary School	Cooperative Bank Bungoma	1141669899400	119,985	155,425
Nakitumba Primary School	Cooperative Bank Bungoma	1141011501301	4,950	00
Kabuchai S.A Girls Sec. School	Cooperative Bank Bungoma	01139049932902	1,560	11,280
Madisi Secondary School	Cooperative Bank Bungoma	01141049937100	1,007,301	-
Chekulo Baptist Sec. School	Cooperative Bank Bungoma	01141536393800	150	750
Khatiri Secondary School	Cooperative Bank Bungoma	01141669537400		21,820
Sikulu Fym Secondary School	Cooperative Bank Bungoma	01141050275900	233	00
St. Perers Chemwa Secondary School	Cooperative Bank Bungoma	01141668233300	37,123	3,563
Lukhome Secondary School	Cooperative Bank Bungoma	01141049933900	1,318	7,758
Kimalewa Secondary School	Cooperative Bank Bungoma	01141049933700	3,315	4,275
St.Kizito Mukhweya Girls Secondary School	Cooperative Bank Bungoma	01141669455800	174,970	5,930
St.Peters Lurende Sec School	Cooperative Bank Bungoma	1141669793100	22,840	33,800
Nasaka Secondary School	Cooperative Bank Bungoma	1141669816700	3,945	4,425
Nangwe Girls Sec. School	Cooperative Bank Bungoma	01141049433500	49,826	

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

Pmc	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
St. Anns .Sirare Secondary School	Cooperative Bank Bungoma	1141049449301	90	1,050
Busakala Secondary School	Cooperative Bank Bungoma	01141049329600	537,965	3,485
Marobo Girls Sec School	Cooperative Bank Bungoma	01141536387100	1,055,673	00
Marobo Boys Sec. School	Cooperative Bank Bungoma	114104995300	1,079	00
St.Charles Lwanga Secondary School- Bwake	Cooperative Bank Bungoma			2,325
Chwele Police Station	Cooperative Bank Bungoma	01141536916400	2,334,942	1,635,903
West Nalondo Assistant Chiefs Office	Cooperative Bank Bungoma	01141669447000	3,753	3,713
Assistant County Commissioners Residence – Nalondo	Cooperative Bank Bungoma	01141669956500	178,118	25,037
Deputy County Commissioner Residence-Bgm Central	Cooperative Bank Bungoma	01141535778700	5340	-
Assistant County Commissioner Office- Mukuyuni	Cooperative Bank Bungoma	1141669796400	122,732	-
Chekulo Fym Sec. School	Cooperative Bank Bungoma	01141049932200	6,100	00
Kibichori Friends Sec. Sch	Cooperative Bank Bungoma	01141536393900	1,003	00
Lukhome Ersf Primary School	Cooperative Bank Bungoma	01141011502900	1,128	00
Lukhuna Primary School	Cooperative Bank Bungoma	1139049857601	71,052	34,813
Nangubo Primary School	Cooperative Bank Bungoma	1141536927200	4,702	3,662
Pongola Friends Secondary School	Cooperative Bank Bungoma	1141669759600	3,485	11,280
Misiri Rc Primary School	Cooperative Bank Bungoma	1141050136700	3,903	00
Teremi High School	Cooperative Bank Bungoma	1139050298002	995,120	1,025,890
Sitila Fym Primary School	Cooperative Bank Bungoma	1141049266300	97,539	999
Baraki Primary School	Cooperative Bank Bungoma	1141049008600	3,173	00
Chiefs Office Sichei	Cooperative Bank Bungoma	1141536928900	3,811	00
St. Peters Chwemwa Rc Pry Sch	Cooperative Bank Bungoma	1141049901300	1,179	3,563
Mikayu Fym Primary School	Cooperative Bank Bungoma	1141049900800	4,100	3,578
Sichei Fym Primary School	Cooperative Bank Bungoma	1141049255800	3,220	00
Nasaka Primary School	Cooperative Bank Bungoma	1141011596700	93,593	00

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

Pmc	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
Kisiwa Rc Primary School	Cooperative Bank Bungoma	1141049694300	22,5670	00
S.A Wabukhonyi S.A Sec School	Cooperative Bank Bungoma	1141425979200	1,503	00
Nangili Rc Primary School	Cooperative Bank Bungoma	1141011504400	1,999	00
Assist. Chiefs Office Kabuchai	Cooperative Bank Bungoma	1141782991600	6,801	248,975
Kuywa S.A Special Sch	Cooperative Bank Bungoma	1141782320100	2,703,365	304,325
Kabuchai Sa Primary School	Cooperative Bank Bungoma	1141049881600	738	00
Kabuchai National Gvt Cdf Office	Cooperative Bank Bungoma	1141669605400	11,036	6,225
Total			15,535,871	6,729,195

SAVED ACCOUNT MAHARU
 KABUCHAI CONSTITUENCY
 DEVELOPMENT FUND
 P.O. Box 110, CHWILILE - 50302

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

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	<p>Transfer to Other Government Entities</p> <p>a) The Fund transferred Ksh. 700,000 to the PMCs account for purchase of 1.25 acres of land valued at Kshs. 1,200,000 for Nangwe Primary School. However, the title deed for the parcel of land and the sale agreement were not availed for audit verification</p> <p>b) The Fund contributed Kshs. 400,000 towards purchase of land for Lwanda primary school with total cost of Ksh. 1,000,000. However, title deed for the parcel of land was not availed for audit verification.</p>	<p>The management agrees with the Auditor's observation. The PMC was unable to transfer the said amount to the land seller in good time due to the disagreement with the land administrator. The money was lying on the PMC account as at the time of audit. The management notes that the same will not repeat again if future.</p>	Resolved	Three months
2.0	<p>Other Grants and transfers</p> <p>Included in the other grants and other transfers figure of kshs. 26,032,206 is an amount of Kshs. 6,590,000 in respect of security expenditure which in turn includes Kshs. 1,300,000 incurred on renovation and purchase of furniture for the Bungoma Central DCIO office. However, scrutiny of the relevant records revealed that the furniture was not purchased and renovation works not done to completion.</p>	<p>The management acknowledges your audit observations. The PMC has not yet cleared the land payment. The title deed will be processed immediately after completion of payment and any other land expenses.</p> <p>The management agrees with the auditor's observation. As at the time of audit, the furniture had not been purchased but procurement was in progress hence the money was still on the PMC account. The renovation work was also ongoing and funds for the pending activities as at the time of audit was on the account.</p>	<p>Ongoing</p> <p>Resolved</p>	<p>Six months</p> <p>The furniture was purchased and renovation works done to completion.</p>