

REPORT

THE NATIONAL ASSEMBLY	
DATE: 08 MAR 2023	
Wednesday	
TABLED BY:	Hon Owen Bayo, C.B.S, MP Deputy Majority Leader
CHECK-AT THE TABLE:	Miriam Mado

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – KANDUYI CONSTITUENCY**

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





Revised Template 30th June 2021



KANDUYI 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)



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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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 Kanduyi 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	BENJAMIN SUGUT
2.	Sub-County Accountant	CONSOLATA OYINDA
3.	Chairman NGCDFC	CHRISTOPHER KALABAI
4.	Member NGCDFC	SCOLASTICA SATIA

(d) Fiduciary Oversight Arrangements

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

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KANDUYI NGCDF Building/House/Plaza
BUNGOMA -MALABA Highway
BUNGOMA, KENYA
Kanduyi Constituency NGCDF Contacts

Telephone: (254) 0704332342
E-mail: cdfkanduyi@ngcdf.go.ke
Website: www.go.ke

(f) KANDUYI Constituency NGCDF Bankers

Cooperative Bank of Kenya
Bungoma Branch
P.O Box 1964-50200
BUNGOMA,KENYA

(g) Independent Auditors

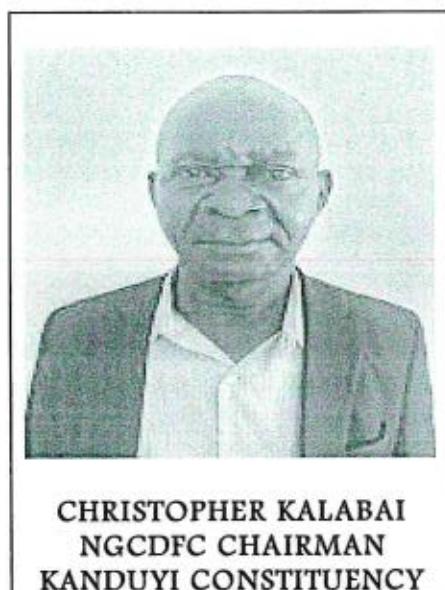
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

Include among others the following:



Kanduyi NGCDF funded infrastructure projects in Primary schools, Secondary schools and security projects in 2019/20FY.

Other areas are statutory and are projects that were not devolved but fall under National government functions.

The total budget for 2020/2021 Financial Year amounted to **Kshs. 137,088,879** as shown in the table below;

NAME OF PROJECT	AMOUNT ALLOCATED
Administration/Recurrent	8,225,333
Monitoring and Evaluation/Capacity Building	4,112,665
Bursary Scheme	29,674,546
Emergency Reserve	7,192,207
Sports Activities	2,741,778
Environmental Projects	2,741,778
Primary School Projects	43,200,000
Secondary School Projects	34,650,572
Security Projects	4,550,000

	137,088,879
Total for the Financial Year	

Despite the delay in disbursement of funds during the financial year, the overall average performance of the fund in terms of budget utilisation was **86%** receipt and **74%** on payments. Kanduyi NGCDF received a total of **Kshs. 107,900,000** of the total original budgeted amount of **Kshs. 137,088,879** in 2020/2021 Financial Year.

Despite this achievement, there were implementation challenges. Delay in disbursement of funds from the Board occasioned the low utilisation of funds. The fund allocation to the Board from the National Government is also low hence slow pace of implementation of all proposed projects by the community.

The Board should therefore disburse funds on time to improve on utilisation of funds within the financial year.

The National Government should also consider increasing the fund allocation to the NGCDF Board for faster development at the constituencies.



SIRITANY SECONDARY SCHOOL
CONSTRUCTION OF 5 CLASSROOMS AND OFFICE - ONGOING

Signature

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of *Kanduyi Constituency 2018-2023* plan are to:

- a) To improve access to quality education
- b) Improve access to clean water and a more sustainable and conserved environment
- c) Equip, facilitate and enhance capacity of provincial administration and other security organs
- d) Empower and develop youth and special groups to reduce dependence and spur economic growth through sports
- e) Enhance access to information and technology

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions. Number of student who benefit from bursary.	In the FY 2020/2021 the Kanduyi NG-CDF has been able to construct 22 new primary classrooms and 15 new secondary school classrooms. The committee also bought half acre of land for expansion of playing grounds and provide space for new

Constituency Program	Objective	Outcome	Indicator	Performance
				infrastructure. Two new 33 seater school buses were also bought. In the 2020/21 FY the committee awarded bursary to 4,200 students in both secondary and tertiary institutions.
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Drill boreholes to promote access to clean and safe water Equip schools and public facilities with sanitation Provide tree seedlings to schools to improve the forest cover	Number of boreholes drilled Number of sanitation facilities built in primary and secondary Number of trees planted	The committee planted 600 tree seedlings in 68 primary and secondary schools in 2020/2021 FY
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	In 2020/21 FY, the NGCDFC bought 2.75 acres of land to 6 chiefs offices
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 2020/21 FY, the constituency increased the number of football teams in its annual sports tournament from

Constituency Program	Objective	Outcome	Indicator	Performance
				50 to 70.
Emergency	To cater for any unforeseen occurrences in the constituency	Increased funds on unforeseen activities	Number of cases assisted	In the year the issues addressed increased

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Kanduyi 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

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Kanduyi NG-CDF initiatives

Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

Our Environmental Policy

In this policy statement Kanduyi NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan

Kanduyi NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:

Impact Area	Approach
Capacity Building	Promote environmental awareness by sensitizing the Kanduyi NG-CDFC, NGCDFC staff and PMCs on good conservation practices To encourage, through regular communication to Kanduyi NG-CDFC, staff , and other stakeholders changes in individual behaviour to reduce usage
Conservation of Energy and Resources	To maximize use of available technologies to remove the need to use paper To encourage our clients to engage with us using electronic means where possible To maximize on rain water harvesting To make energy efficiency a key factor in the selection of any new energy devise being purchased To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	To promote use of volt guards to control power surges We have constructed culverts and gabions to prevent soil erosion □ To encourage tree planting in the constituency to improve the forest cover. To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Pollution Control and Waste Management	To ensure that all paper waste is recycled To ensure segregation of waste To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

3. Employee welfare

We invest in providing the best working environment for our employees. The 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. Kanduyi 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-

Kanduyi 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-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

Kanduyi 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-Kanduyi 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-Kanduyi 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- Kanduyi 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 Kanduyi 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- Kanduyi Constituency financial statements were approved and signed by the Accounting Officer on 03/09/ 2021.



Chairman NGCDF Committee
Name: CHRISTOPHER KALABAI



Fund Account Manager
Name: BENJAMIN SUGUT

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KANDUYI 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 - Kanduyi Constituency set out on pages 15 to 63, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of

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

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

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

Basis for Qualified Opinion

Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.36,673,403 as disclosed in Note 7 to the financial statements. Included in the expenditure is bursary disbursements amount of Kshs.23,952,125 comprising of Kshs.2,434,000 and Kshs.21,518,125 disbursed to secondary schools and tertiary institutions respectively. However, minutes of the Bursary Sub-Committee were not provided for audit hence not possible to ascertain how the needy beneficiaries were identified. In addition, all secondary school beneficiaries did not fill bursary application forms.

In the circumstances, the regularity and accuracy of the of the bursaries disbursed amounting to Kshs.23,952,125 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 - Kanduyi 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 reflects final receipts budget and actual on a comparable basis of Kshs.230,793,952 and Kshs.200,605,072, respectively resulting to an under-funding of Kshs.30,188,880 or 13% of the budget. Similarly, the Fund expended

Kshs.171,028,200 against an approved budget of Kshs.230,793,951 resulting to an under-expenditure of Kshs.59,765,751 or 26% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, 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 controls, risk management and overall governance.

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

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

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

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

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

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

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 September, 2022


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


VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021


	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	181,267,724	124,004,668
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		181,267,724	124,004,668
PAYMENTS			
Compensation of employees	4	2,223,728	2,356,103
Use of goods and services	5	7,259,997	9,636,143
Transfers to Other Government Units	6	121,871,072	39,500,000
Other grants and transfers	7	36,673,403	52,181,969
Acquisition of Assets	8	-	1,000,000
Other Payments	9	3,000,000	-
TOTAL PAYMENTS		171,028,200	104,674,215
SURPLUS/(DEFICIT)		10,239,524	19,330,453

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

03/09/ 2021 and signed by:


 Fund Account Manager
 Name: BENJAMIN SUGUT


 National Sub-County
 Accountant
 Name: CONSOLATA OYINDA
 ICPAK M/No: 10523


 Chairman NG-CDF Committee
 Name: CHRISTOPHER
 KALABAI

VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	29,576,872	19,337,348
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		29,576,872	19,337,348
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		29,576,872	19,337,348
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		29,576,872	19,337,348
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd	13	19,337,348	6,895
Prior year adjustments	14	-	
Surplus/Deficit for the year		10,239,524	19,330,453
NET FINANCIAL POSITION		29,576,872	19,337,348

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

03/09 2021 and signed by:

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



Fund Account Manager
Name: BENJAMIN SUGUT



National Sub-County
Accountant
Name: CONSOLATA OYINDA

ICPAK M/No: 10523



Chairman NG-CDF Committee

Name: CHRISTOPHER
KALABAI


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

IX. STATEMENT OF CASHFLOW

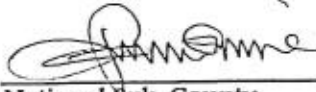
		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	181,267,724	124,004,668
Other Receipts	3	-	-
Total receipts		181,267,724	124,004,668
Payments for operating activities			
Compensation of Employees	4	2,223,728	2,356,103
Use of goods and services	5	7,259,997	9,636,143
Transfers to Other Government Units	6	121,871,072	39,500,000
Other grants and transfers	7	36,673,403	52,181,969
Other Payments	9	3,000,000	-
Total payments		171,028,200	103,674,215
Total Receipts Less Total Payments			
Adjusted for:		-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
		10,239,524	20,330,453
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	-	1,000,000
Net cash flows from Investing Activities		-	(1,000,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		10,239,524	19,330,453
Cash and cash equivalent at BEGINNING of the year	10	19,337,348	6,895
Cash and cash equivalent at END of the year		29,576,872	19,337,348

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kanduyi Constituency financial statements were approved on 03/09/2021 and signed by:

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

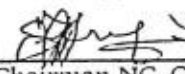


Fund Account Manager
Name: BENJAMIN SUGUT



National Sub-County
Accountant
Name: CONSOLATA OYINDA

ICPAK M/No: 10523



Chairman NG-CDF Committee
Name: CHRISTOPHER
KALABAI

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	19,337,348	74,367,725	230,793,952	200,605,072	30,188,880	87%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	-
TOTALS	137,088,879	19,337,348	74,367,725	230,793,952	200,605,072	30,188,880	87%
PAYMENTS							
Compensation of Employees	1,533,269		3,193,738	4,727,007	2,223,728	2,503,279	47%
Use of goods and services	10,804,730		2,198,320	13,003,050	7,259,997	5,743,053	56%
Transfers to Other Government Units	77,850,572	-	56,962,652	134,813,224	121,871,072	12,942,152	90%
Other grants and transfers	46,900,326	19,337,348	9,013,015	75,250,671	36,673,403	38,577,266	49%
Acquisition of Assets	-	-	-	-	-	-	-
Other Payments	-	-	3,000,000	3,000,000	3,000,000	-	100%
Funds pending approval**	-	-	-	-	-	-	-
TOTALS	137,088,879	19,337,348	74,367,725	230,793,951	171,028,200	59,765,752	74.4%

(a) All the revenues receipt came from the NGCDF Board.


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


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


- i. Transfers from the NGCDF were fell below 90% at 87% because there was an outstanding amount of Kshs.30,188,880 at the end of the financial year.*
- ii. Utilization of all payments ranged between 47% and 90% as a result of b (i) above.*
- iii. There were no reallocations during the financial year. The difference between the original budget and final budget was as a result of receipts from the previous year and unapproved funds from previous years.*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	59,765,752
Less undisbursed funds receivable from the Board as at 30 th June 2021	30,188,880
	29,576,872
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	29,576,872

The NGCDF-KANDUYI Constituency financial statements were approved on 03/09/ 2021 and signed by:


Fund Account Manager
Name: BENJAMIN SUGUT


National Sub-County
Accountant
Name: CONSOLATA OYINDA
ICPAK M/No: 10523


Chairman NG-CDF Committee
Name: CHRISTOPHER
KALABAI

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Opening Balance (C/Bk) and AIA	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
	2020/2021		Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	1,533,269		2,256,391	3,789,660	2,223,728	1,565,932	59
1.2 Committee allowances	2,692,063		338,473	3,030,537	802,879	2,227,658	26
1.3 Use of goods and services	4,000,000		53,070	4,053,070	5,625,619	(1,572,549)	139
Total	8,225,333	-	2,647,934	10,873,267	8,652,226	2,221,041	80
2.0 Monitoring and evaluation							
2.1 Capacity building	1,361,828		1,362,655	2,724,483	260,000	2,464,483	10
2.2 Committee allowances	1,950,839		68,187	2,019,026	572,000	1,447,026	28
2.3 Use of goods and services	800,000		375,934	1,175,934	-	1,175,934	-
Total	4,112,666	-	1,806,776	5,919,443	832,000	5,087,443	14
3.0 Emergency							
3.1 Primary Schools	3,500,000			3,500,000	3,500,000	-	100
3.2 Secondary schools	1,339,000		363,173	1,702,173	1,339,000	363,173	79
3.3 Tertiary institutions	634,434			634,434	140,000	494,434	22
3.4 Security projects			142,893	142,893		142,893	-
3.5 Unutilised	1,718,773			1,718,773	-	1,718,773	-
Total	7,192,207	-	506,067	7,698,274	4,979,000	2,719,274	65
4.0 Bursary and Social Security							
4.1 Secondary Schools	4,274,546	16,000,000	244,947	20,519,493	20,519,493	(0)	100
4.2 Tertiary Institutions	25,400,000	3,337,348	3,262,000	31,999,348	26,862,632	5,636,716	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c-d)	Utilisation(f=d/c %)
4.3 Social Security				-		-	-
4.4 Special Needs				-		-	
Total	29,674,546	19,337,348	3,506,947	52,518,841	46,882,125	5,636,716	
5.0 Sports							
5.1	2,741,778		0	2,741,778	2,741,778	0	100
Total	2,741,778	-	0	2,741,778	2,741,778	0	100
6.0 Environment							
6.1	2,741,778		0	2,741,778	2,700,000	41,778	98
Total	2,741,778	-	0	2,741,778	2,700,000	41,778	98
7.0 Primary Schools Projects							
Bukembe Primary School	500,000		700,000.00	1,200,000	1,200,000	-	100
Kongoli Primary School	700,000			700,000		700,000	-
Tembelela Primary School	700,000		700,000.00	1,400,000	700,000	700,000	50
Nzoia Industrial Primary School	500,000			500,000	500,000	-	100
Nzoia Sugar Primary School	500,000			500,000	500,000	-	100
Misanga primary school	1,000,000		1,000,000.00	2,000,000	2,000,000	-	100
Cheng'wili Primary School	500,000			500,000	500,000	-	100
Khaoya Primary School	500,000			500,000		500,000	-
Kiale Fym Primary School	700,000			700,000		700,000	-
Matumbufu Primary School	500,000			500,000		500,000	-
Muyayi Primary School	700,000		500,000.00	1,200,000	500,000	700,000	42
Nalutiri Primary School	700,000			700,000		700,000	-
Ndengelwa Primary School	500,000			500,000	500,000	-	100
Fuchani Primary School	700,000			700,000		700,000	-
Khakula Primary School	500,000			500,000	500,000	-	100
Lutungu Primary School	300,000			300,000	300,000	-	100
Mechimetu Primary School	500,000			500,000	500,000	-	100

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c-d)	% of Utilisation(f=d/c %)
Mufule Primary School	500,000		500,000	500,000	-	100
Mwibale Primary School	700,000		700,000		700,000	-
Nabichukha Primary School	300,000		300,000	300,000	-	100
Nabuitola Primary School	400,000		400,000		400,000	-
Sango Primary School	700,000		700,000		700,000	-
Sikalame Primary School	700,000		700,000		700,000	-
Wacheke Primary School	500,000	700,000.00	1,200,000	1,000,000	200,000	83
Buema Primary School	1,200,000		1,200,000	1,200,000	-	100
Bukananichi Primary School	500,000		500,000	500,000	-	100
Kimukungi Primary School	700,000		700,000	500,000	200,000	71
Kibabii Boarding Primary School	500,000		500,000		500,000	-
Maliki Primary School	1,100,000		1,100,000	1,100,000	-	100
Kakichuma Primary School	700,000	700,000.00	1,400,000	1,400,000	-	100
Musikoma Primary School	500,000		500,000		500,000	-
Namamuka Primary School	500,000		500,000		500,000	-
Namasanda Primary School	500,000		500,000	500,000	-	100
Okanya Primary School	700,000		700,000	700,000	-	100
Samoya Primary School	500,000		500,000	500,000	-	100
Siloba Primary School	500,000		500,000		500,000	-
Sio Primary School	500,000		500,000		500,000	-
Sirlanyai Primary School	700,000		700,000		700,000	-
Wekeleka Primary School	2,800,000		2,800,000		2,800,000	-
Central Baptist Primary School	500,000		500,000		500,000	-
Mupeli Primary School	700,000	600,000.00	1,300,000	600,000	700,000	46
Sinoko Primary School	1,000,000	500,000.00	1,500,000	500,000	1,000,000	33
Bungoma DEB Primary School	5,600,000	-	6,300,000	700,000	5,600,000	11
Kamba Primary School	700,000		700,000	700,000	-	100
Malaa Primary School	2,800,000		2,800,000	2,800,000	-	100

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (c-d)	Utilisation (f=d/c %)
Luyekhe Primary School	500,000	700,000.00	1,200,000	700,000	500,000	58
Namaanga Primary School	700,000		700,000		700,000	-
Namisi Primary School	700,000		700,000		700,000	-
Sangalo Primary School	500,000		500,000	500,000	-	100
Siaka Primary School	700,000	700,000.00	1,400,000	1,400,000	-	100
Siangwe Primary School	1,400,000	1,400,000.00	2,800,000	2,800,000	-	100
Buumba Primary School	700,000	-	1,400,000	700,000	700,000	50
Mukholi primary school	1,000,000		1,000,000		1,000,000	-
Bungoma Muslim primary	-	700,000.00	700,000	700,000	-	100
chemululuchi primary		700,000.00	700,000	700,000	-	100
Dorofu Primary		700,000.00	700,000	700,000	-	100
Kanduyi DEB primary		1,000,000.00	1,000,000	1,000,000	-	100
Kisuluni primary		500,000.00	500,000	500,000	-	100
Kombo primary		700,000.00	700,000	700,000	-	100
Lumasa primary		600,000.00	600,000	600,000	-	100
Makutano primary		700,000.00	700,000	700,000	-	100
Maocho primary		500,000.00	500,000	500,000	-	100
Moi primary		700,000.00	700,000	700,000	-	100
Mukhawali Primary		1,000,000.00	1,000,000	1,000,000	-	100
Nabukhisaprimary			-		-	-
Namikelo primary		700,000.00	700,000	700,000	-	100
Namisi CEB primary			-		-	-
Ndakakaru primary		1,400,000.00	1,400,000	1,400,000	-	100
Ranjie Primary			-		-	-
SIRENDE PRIMARY		700,000.00	700,000	700,000	-	100
TUNGELELA PRIMARY		700,000.00	700,000	700,000	-	100
WALALA PRIMARY SCHOOL		700,000.00	700,000	700,000	-	100
SITOMA PRIMARY		700,000.00	700,000	700,000	-	100

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
Total	43,200,000	-	22,300,000	40,000,000	25,500,000	61
8.0 Secondary Schools Projects						
Bukembe Boys Secondary School	1,000,000		1,000,000	1,000,000	-	100
Nzoia Industrial Boys Secondary School	700,000	1,400,000	2,100,000	1,400,000	700,000	67
Khaoya Secondary School	920,000	2,800,000	3,720,000	3,720,000	-	100
Ndengelwa Secondary School	500,000		500,000	500,000	-	100
Chemche Secondary School	2,800,000	600,000	3,400,000	3,400,000	-	100
Wamalwa Kijana Secondary School	1,000,000	1,000,000	2,000,000	2,000,000	-	100
Bukananchi Secondary School	700,000	500,000	1,200,000	500,000	700,000	42
Marakaru Secondary School	700,000	700,000	1,400,000	1,400,000	-	100
Kibabii Boys High School	1,000,000		1,000,000	1,000,000	-	100
Ack The Good Shepherd Secondary School	2,800,000	1,400,000	4,200,000	4,200,000	-	100
Kimkungi Girls High School	5,179,750	1,000,000	6,179,750	1,000,000	5,179,750	16
Sio Secondary School	5,179,750	2,000,000	7,179,750	2,000,000	5,179,750	28
Samoya Secondary School	1,000,000		1,000,000	1,000,000	-	100
Siritanyi Secondary School	1,000,000	1,500,000	2,500,000	2,500,000	-	100
Siritanyi Secondary School	700,000		700,000	700,000	-	100
Namamuka Secondary School	450,000	1,000,000	1,450,000	1,000,000	450,000	69
Baptist Girls High School	700,000		700,000		700,000	-
Bungoma High School	1,000,000	1,000,000	2,000,000	1,000,000	1,000,000	50
Namachanja High School	500,000	1,000,000	2,000,000	2,000,000	-	100
Kamba Secondary School	700,000	1,000,000	1,500,000	1,500,000	-	100
St veronica Ranje Secondary School	700,000	700,000	1,400,000	1,400,000	-	100
Namwacha Secondary School	700,000		700,000	700,000	-	100
Namisi Secondary School	700,000		700,000		700,000	-
Buumba-Wacheke Bridge	3,021,072	4,000,000	7,021,072	7,021,072	-	100

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	Utilisation(f=d/c %)
BUKEMBE SA SECONDARY		1,000,000	1,000,000	1,000,000	-	100
BUNGOMA MUSLIM SECONDARY		700,000	700,000	700,000	-	100
CARDINAL OTUNGA GIRLS		1,000,000	1,000,000	1,000,000	-	100
KIMUGUJI BOYS			-		-	
KITALE SECONDARY SCHOOL			-		-	
KONGOLI SECONDARY		1,000,000	1,000,000	1,000,000	-	100
LUANDA BOYS		600,000	600,000	600,000	-	100
MABUJISI SECONDARY		700,000	700,000	700,000	-	100
MECHIMERU SECONDARY		700,000	700,000	700,000	-	100
MUSIKOMA SECONDARY		700,000	700,000	700,000	-	100
NABICHAKHA SECONDARY		700,000	700,000	700,000	-	100
NABUKHISA SECONDARY		700,000	700,000	700,000	-	100
NAMANGA SECONDARY		700,000	700,000	700,000	-	100
NZOIA SUGAR GIRLS		1,000,000	1,000,000	1,000,000	-	100
SANGALO SECONDARY		700,000	700,000	700,000	-	100
SANGO SECONDARY		700,000	700,000	700,000	-	100
SIAKA SECONDARY		800,000	800,000	800,000	-	100
ST MARTINS MWIBALE SECONDARY		2,000,000	2,000,000	2,000,000	-	100
TEMBELELA SECONDARY		700,000	700,000	700,000	-	100
WACHEKA SECONDARY		2,800,000	2,800,000	2,800,000	-	100
KIMUGUJI GIRLS		800,000	800,000	800,000	-	100
Total	34,650,572	39,600,000	74,250,572	58,941,072	15,309,500	79
9.0 Tertiary institutions Projects			-		-	
Galana TCC					-	
Total	-	-	-	-	-	
10.0 Security Projects			-		-	
Namirembe Chiefs Office	300,000		300,000	300,000	-	100
Chiefs Office Mechimeru	300,000		300,000		300,000	-

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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 %)
Chiefs Centre Mwibale	300,000		300,000		300,000	-
Dorofu Police Post	450,000		450,000		450,000	-
Sango Police Post	200,000		200,000		200,000	-
Assistant Chief Office Marakuru Sub-Location	500,000		500,000		500,000	-
Chief's Office Kibabii Location	1,000,000		1,000,000	1,000,000	-	100
Namasanda Assistant Chiefs Office	500,000	-	500,000	-	500,000	-
Namamuka Assistant Chiefs Office	500,000		500,000		500,000	-
Bukembe Assistant Chiefs Office	500,000		500,000		500,000	-
CHIEFS OFFICE KHALABA		1,000,000	1,000,000	1,000,000	-	100
Total	4,550,000	-	5,550,000	2,300,000	3,250,000	41
11.0 Acquisition of assets						
11.1 Motor Vehicles	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-
Total	-	-	-	-	-	-
12.0 Other payments						
Magarini Constituency strategic plan		3,000,000	3,000,000	3,000,000	-	100
NGCDF office			-	-	-	
Constituency desk project			-		-	
Total	-	-	3,000,000	3,000,000	-	-
13.0 unallocated fund						
Unapproved projects						
Total	-	-	-	-	-	-
	137,088,879	19,337,348	230,793,953	171,028,200	59,765,752	

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year

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

8. Accounts Payable

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 30TH 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 20xx.

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. B 047150		-	2,963,793
AIE NO. B 047443		-	4,000,000
AIE NO. B 041468		-	20,000,000
AIE NO. B 049291		-	15,000,000
AIE NO. B 104315		-	15,000,000
AIE NO. B 096572		-	8,000,000
AIE NO. B 031291		-	6,000,000
AIE NO. B 041042		-	53,040,875
AIE NO. B 104719		35,000,000	
AIE NO. A 823528		34,367,724	-
AIE NO.		2,000,000	-
AIE NO.		2,000,000	-
AIE NO.B 104929		5,000,000	-
AIE NO.B 124536		9,000,000	-
AIE NO.B 124966		12,000,000	-
AIE NO.B 119821		15,000,000	-
AIE NO.B 128111		6,900,000	-
AIE NO.B 128423		8,000,000	-
AIE NO.B 132167		6,000,000	-
AIE NO.B 138835		15,000,000	-
AIE NO.B 126130		6,000,000	-
AIE NO.B 126420		10,000,000	-
TOTAL		181,267,724	124,004,668

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	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

	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	2,019,104.00	2,249,465
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	204,624	106,638
Total	2,223,728	2,356,103

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	802,379	394,000
Communication, supplies and services	-	435,601
Domestic travel and subsistence	-	146,500
Printing, advertising and information supplies & services	-	2,000,000
Rentals of produced assets	-	-
Training expenses	260,000	297,000
Hospitality supplies and services	-	761,000
Other committee expenses	6,197,618	3,495,042
Committee allowance	-	-
Insurance costs	-	412,000
Specialized materials and services	-	-
Office and general supplies and services	-	500,000
Other operating expenses	-	450,000
Routine maintenance – vehicles and other transport equipment	-	450,000
Routine maintenance – other assets	-	-
Total	7,259,997	9,636,143

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	51,900,000	13,900,000
Transfers to secondary schools (see attached list)	69,971,072	25,600,000
Transfers to tertiary institutions (see attached list)		
TOTAL	121,871,072	39,500,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	2,434,000	5,660,000
Bursary – tertiary institutions (see attached list)	21,518,125	26,982,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	2,300,000	2,000,000
Sports projects (see attached list)	2,741,778	2,747,354
Environment projects (see attached list)	2,700,000	4,711,147
Emergency projects (see attached list)	4,979,500	10,081,468

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Total	36,673,403	52,181,969
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	1,000,000
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	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	1,000,000.

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	3,000,000	-
ICT Hub	-	-
	3,000,000	-

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Cooperative Bank of Kenya, A/C no.01120050482500	29,576,872	19,337,348
Total	29,576,872	19,337,348
10B: CASH IN HAND		
Location 1	-	-
	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

[Include an annex if the list is longer than 1 page.]

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	-	-

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	19,337,348	6,895
Cash in hand	-	-
Imprest	-	-
Total	19,337,348	6,895

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
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 – OUTSTANDING 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 receivables D= A+B-C	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,503,279	2,278,916
Use of goods and services	5,743,053	2,034,784
Amounts due to other Government entities (see attached list)	32,279,500	39,378,357
Amounts due to other grants and other transfers (see attached list)	19,239,920	49,013,015
		1,000,000
Acquisition of assets	-	-
Others (<i>specify</i>)	-	-
Funds pending approval	-	-
	59,765,752	93,705,072

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)	7,672,724	222,818
	7,672,724	222,818

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees				
	Payment of salaries and gratuity	2,503,279	2,278,916	
Use of goods & services				
	payment of committee allowances, fuel and other office operations	5,743,053	2,034,784	
Amounts due to other Government entities				
Kongoli Primary School	Reroofing of 7 classrooms	700,000		
Tembelele Primary School	Reroofing of 7 classrooms	700,000		
Khaoya Primary School	Reroofing of 5 classrooms	500,000		
Kitale Fym Primary School	construction of 12 door pit latrines	700,000		
Matumbufu Primary School	Reroofing of 5 classrooms	500,000		
Muyayi Primary School	Reroofing of 7 classrooms	700,000		
Nalutiri Primary School	Reroofing of 7 classrooms	700,000		
Fuchani Primary School	Construction of 1 classroom	700,000		
Mwibale Primary School	Construction of 1 classroom	700,000		
Nabutola Primary School	fitting of windows and doors of 4 roomed admin block	400,000		
Sango Primary School	Reroofing of 7 classrooms	700,000		
Sikalame Primary School	Reroofing of 7 classrooms	700,000		
Wacheka Primary School	Reroofing of 5 classrooms	200,000		

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Kimukungi Primary School	Construction of 1 classroom	200,000		
Kibabii Boarding Primary School	construction of 10 door pit latrines	500,000		
Musikoma Primary School	Reroofing of 5 classrooms	500,000		
Namamuka Primary School	Reroofing of 5 classrooms	500,000		
Siloba Primary School	Reroofing of 5 classrooms	500,000		
Sio Primary School	Reroofing of 5 classrooms	500,000		
Siriany Primary School	Reroofing of 7 classrooms	700,000		
Wekelekha Primary School	Construction of six units of Girls ablution block, four units of boys ablution block with a urinal @ Kshs. 2,100,000 and reroofing of 7 classrooms at Kshs. 700,000	2,800,000		
Central Baptist Primary School	Reroofing of 5 classrooms	500,000		
Mupeli Primary School	construction of 10 door pit latrines	700,000		
Sinoko Primary School	Fittings and finishes Of six (6No) rooms of Administration Block	1,000,000		
Burgoma DEB Primary School	Construction of 8No. classrooms to completion	5,600,000		
Luyekhe Primary School	Reroofing of 5 classrooms	500,000		
Namwanga Primary School	Construction of 1 classroom	700,000		
Namisi Primary School	Construction of 1 classroom	700,000		

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Bumba Primary School	Construction of 1 classroom	700,000		
Mukholi primary school	Complete payment of land at 300,000 and construction of 1 classroom at 700,000	1,000,000		
Nzoia Industrial Boys Secondary School	Construction Of 1 Classroom to completion	700,000		
Bukananchi Secondary School	Construction Of 1 Classroom to completion	700,000		
Kimkungi Girls High School	Purchase of ISUZU NQR81K 29 SEATER-JAPAN ISUZU school bus as per contract No.SB/9/0079/19-21 dated 2nd May 2019 between the Ministry of Transport, Infrastructure, Public Works, Housing and Urban Development and ISUZU EAST AFRICA LIMITED.	5,179,750		
Sio Secondary School	Purchase of ISUZU NQR81K 29 SEATER-JAPAN ISUZU school bus as per contract No.SB/9/0079/19-21 dated 2nd May 2019 between the Ministry of Transport, Infrastructure, Public Works, Housing and Urban Development and ISUZU EAST AFRICA LIMITED.	5,179,750		
Namamuka Secondary School	Completion Of Purchase Of 1 acre land	450,000		

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Namamuka Secondary School	Construction Of 1 Classroom to completion	700,000		
Namwacha Secondary School	Fittings and finishes Of single laboratory.	700,000		
Namisi Secondary School	Construction Of 1 Classroom to completion	700,000		
BAPTIST GIRLS HIGH SCHOOL	Fittings and finishes Of Dormitory Block	1,000,000		
Sub-Total		40,809,500		
Amounts due to other grants and other transfers				
Chiefs Office Mechimeru	Fitting of doors and windows and painting Of five (5) rooms Chiefs Office	300,000		
Chiefs Centre Mwibale	Fitting of doors and windows and painting Of five (5) rooms Chiefs Office	300,000		
Dorofu Police Post	Purchase of 1/4 acre Land	450,000		
Sango Police Post	Electricity Installation - dropping and wiring	200,000		
Assistant Chief Office Marakaru Sub-Location	Purchase Of 1/4 acre Land	500,000		
Namasanda Assistant Chiefs Office	Purchase Of 1/2 Acre land	500,000		
Namamuka Assistant Chiefs Office	Purchase Of 1/2 Acre land	500,000		
Bukembe Assistant Chiefs Office	Purchase Of 1/2 Acre Land	500,000		

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Emergency	Unallocated amount meant for emergency that may occur within the Constituency	2,179,274		
Bursary	Payment of bursary to needy students	5,280,646		
Sub-Total		10,709,920		
Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval				
Grand Total		59,765,752		

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land				
Buildings and structures	17,900,000	-	-	17,900,000
Transport equipment	4,504,865	-	-	4,504,865
Office equipment, furniture and fittings	4,161,211	-	-	4,161,211
ICT Equipment, Software and Other ICT Assets	221,150	-	-	221,150
Other Machinery and Equipment	108,000	-	-	108,000
Heritage and cultural assets				
Intangible assets				
Total	26,895,226	-	-	26,895,226

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

PMC	Bank	Account number	Bank Balance 2020/2 1	Bank Balance 2019/20
Bukembe primary School	Cooperative	1141536430100		734
Bungoma D.E.B primary school	Cooperative	1141049264000		800
Bungoma muslim primary School	Cooperative	1141536430100		2,600
Buumba primary school	Cooperative	1141050154400		9,085
Chemululuchi primary school	Cooperative	1139290670600		-
Dorofu township primary school	Cooperative	1139011592400		15
Kanduyi D.E.B primary school	Cooperative	1139011592400		2,400
Kisuluni primary school	Cooperative	1141536543600		1,100
Kombo primary School	Cooperative	11415365543600		1,400
Lumasa primary school	Cooperative	1141425169600		500
Luyekhe primary school	Cooperative	1141049270100		200
Makutano Primary School	Cooperative	1141049270100		750
Maocho Primary School	Cooperative	1141669001800		1,100
Misanga Primary	Cooperative	1141049500700		150
Moi Primary School	Cooperative	1141425025200		870
Mukhaweli Primary School	Cooperative	1141669952800		600
Mupeli Primary School	Cooperative	1141049280100		643
Muyayi Primary School	Cooperative	1141669585000		1,700
Nabukhisa Primary School	Cooperative	1141669585000		1,236
Namikelo Primary School	Cooperative	1141049675000		770
Namisi Ceb Primary School	Cooperative	1141049917600		850
Ndakakaru Primary School	Cooperative	1141427665200		200
Ranje Primary School	Cooperative	1141669297300		100
Siaka Primary School	Cooperative	1141049280700		1,234

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PMC	Bank	Account number	Bank Balance 2020/2 1	Bank Balance 2019/20
Siangwe Primary School	Cooperative	480298526085		8,900
Sinoko Primary School	Cooperative	1141049273700		20,500
Sirende Primary	Cooperative	1141011664600		1,400
Sitoma Primary School	Cooperative	480263816202		700
Tembelela Primary	Cooperative	1141049901401		1,900
Tungelele Primary School	Cooperative	1141536224600		1,300
Wacheka Primary School	Cooperative	1141049408901		7,400
Walala Primary School	Cooperative	1141290180100		692
Kakichuma primary school	Cooperative	1141290096800		1,236
Bukananachi Secondary School	Cooperative	1139290670600		890
Bukembe S.A Secondary	Cooperative	1141049270100		1,200
Bungoma Baptist Girls	Cooperative	1141049408901		15,000
Bungoma High School	Cooperative	1141536540100		180
Bungoma Muslim Secondary School	Cooperative	114104979100		269
Cardinal Otunga Girls School	Cooperative	1141669671700		1,650
Chemche Secondary School	Cooperative	1141050332200		7,600
Good Shepherd Secondary School	Cooperative	1141290170900		9,000
Kamba Secondary School	Cooperative	1141290170900		1,200
Khaoya Secondary School	Cooperative	1141290170900		9,945
Kimugui Boys Secondary School	Cooperative	1141290222600		1,876
Kimugui Girls School	Cooperative	1141668233200		1,354
Kimukung'i Girls Secondary School	Cooperative	1141535779200		1,097
Kitale Secondary School	Cooperative	1141783084500		10,036
Kanduyi NG CDF Environment activities	Cooperative	1141668034000		83,903
Kanduyi NG CDF sports activities	Cooperative	1141668034100		734

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
FRIENDS NAMANGA SEC. SCH	COOP BANK	1141668228000	84,837	
KAMBA R. C. PRIMARY SCHOOL	COOP BANK	1141535073500	2,853	
MUYAYI R. C. PRIMARY SCHOOL	COOP BANK	1141049072000	2,955	
MWIBALE CHIEF'S OFFICE	COOP BANK	1141669233400	2,063	
NABUTOLA F.Y.M PRIMARY SCH	COOP BANK	1141050154500	3,688	
KIKWECHI POLICE POST	COOP BANK	1141668344800	11,023	
KHAKULA R.C.E.A. SEC. SCHOOL	COOP BANK	1141426018000	4,853	
KIBABII MIXED PRIMARY SCHOOL	COOP BANK	1141011605400	8,066	
NAKAYONJO D.E.B PRIMARY SCH	COOP BANK	1141536904400	5,619	
BUKEMBE S.A. SEC. SCHOOL	COOP BANK	1141668233200	543	
EKITALE A.P. POST	COOP BANK	1141668837600	1,583	
SANG'ALO PRIMARY SCHOOL	COOP BANK	1141669189700	4,538	
LWANDA FYM PRIMARY SCHOOL	COOP BANK	1141669001800	1,463	
S.A. CHENGW'ALI SEC. SCHOOL	COOP BANK	1141535146500	13,820	
LUMASA NEW PRIMARY SCHOOL	COOP BANK	1141536543600	35	
KITINDA PRIMARY SCHOOL	COOP BANK	1141050154400	1,017	
KISULUNI S.A. PRIMARY SCHOOL	COOP BANK	1141049264000	320	
MUSIKOMA POLICE POST	COOP BANK	1141291186900	843	
WALALA R.C. PRIMARY SCHOOL	COOP BANK	1141290222600	3,400	
MABUUSI RCEA PRIMARY SCH	COOP BANK	1141049500700	824	
KIMUGUI FRIENDS SEC. SCHOOL	COOP BANK	1139049923802	2,100	
BUTIELI SECONDARY SCHOOL	COOP BANK	1141425351800	7,551	
SAMOYA SECONDARY SCHOOL	COOP BANK	1141049742900	2,886	
MUNGETI SECONDARY SCHOOL	COOP BANK	1141536224600	3,045	
SILOBA SECONDARY SCHOOL	COOP BANK	1139290267802	810	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
NAMIREMBE FRIENDS PRI. SCH.	COOP BANK	1141290672500	2,813	
RANJE AP POLICE POST	COOP BANK	1141566543700	3,723	
SAMOYA ASST. CHIEF'S OFFICE	COOP BANK	1141668209000	875	
HUTUTU S.A. PRIMARY SCHOOL	COOP BANK	1139049373000	1,043	
BULONDO SECONDARY SCHOOL	COOP BANK	1139049927802	2,153	
KANDUYI AP. CAMP	COOP BANK	1141668619800	13	
SIKALAME S.A. PRIMARY SCHOOL	COOP BANK	1141011629900	1,963	
NAMIKELo R.C. PRIMARY SCHOOL	COOP BANK	1141049791000	98,571	
WEKELEKHA PRIMARY SCHOOL	COOP BANK	1141049273800	1,000,049	
ST. LONGINUS SEC. SCHOOL KONGOLI	COOP BANK	1139049926202	227,652	
MABUUSI SECONDARY SCHOOL	COOP BANK	1141425025200	28,192	
LUYEKHE R.C. PRIMARY SCHOOL	COOP BANK	1141049270100	58,124	
FRIENDS SEC SCHOOL NABICHAKHA	COOP BANK	1141425094300	57,896	
KONGOLI PRI. SCHOOL	COOP BANK	1139011592400	1,031	
DO'S OFFICE EAST BUKUSU	COOP BANK	1141669149200	1,463	
SIANGWE SECONDARY SCHOOL	COOP BANK	1139291147900	2,700	
KIMUKUNG'I R.C. PRIMARY SCHOOL	COOP BANK	1141049271900	1,293	
KHAKULA R.C.E.A PRIMARY SCHOOL	COOP BANK	1141425361300	233	
NALUTIRI SA PRIMARY SCHOOL	COOP BANK	1141049265600	1,000	
MISANGA F.Y.M. PRIMARY SCH	COOP BANK	1141049280700	44,273	
NDENGELWA R.C. PRI. SCHOOL	COOP BANK	1141049898200	3,177	
ST. PAULS WACHEKA ACK SEC. SC.	COOP BANK	1141668370900	64,216	
CHEMCHE SECONDARY SCHOOL	COOP BANK	1141535779200	622,433	
TUUTI A.P. POST	COOP BANK	1141668372900	463	
KHAWELI RC. PRIMARY SCHOOL	COOP BANK	1141668887200	5,563	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
FRIENDS SANGO GIRLS SEC. SCH.	COOP BANK	1139050129400	22,098	
WATWANG'A COG. PRIMARY SCH	COOP BANK	1141049861600	1,425	
NAMWACHA POLICE POST	COOP BANK	1141536627400	3,393	
TULIENGE PRIMARY SCHOOL	COOP BANK	1141291193500	3,215	
BULONDO PRIMARY SCHOOL	COOP BANK	1141049551500	1,475	
MUKHAWELI MMK TOWNSHIP PRI. SCH.	COOP BANK	1141011664600	150,561	
TUNGELELE C.O.G. PRI. SCHOOL	COOP BANK	1141290170900	355,622	
NZOIA DOROFU TOWNSHIP PRI. SCH.	COOP BANK	1141049605200	27,113	
SINOKO DEB PRIMARY SCHOOL	COOP BANK	1141669671700	128,510	
KIMUGUI FYM SCHOOL	COOP BANK	1141049807201	1,798	
SIRENDE PRIMARY SCHOOL	COOP BANK	1141050332200	104,545	
SIRTANYI PRIMARY SCHOOL	COOP BANK	1141049460500	823	
NAMWACHA ERSF SEC, SCHOOL	COOP BANK	1139049928803	121,753	
CHEMCHE ACK PRIMARY SCHOOL	COOP BANK	1141049281100	1,050	
WAMALWA KIJANA HIGH SCHOOL	COOP BANK	1141011627100	21,487	
SIKALAME S.A SEC. SCHOOL	COOP BANK	1139049923402	4,192	
SANG'ALO POLICE POST	COOP BANK	1141535304800	1,463	
MUSIKOMA R.C. PRI. SCHOOL	COOP BANK	1141011510900	4,756	
MARAKARU ACK PRIMARY SCH.	COOP BANK	1141049675000	109,648	
ST. SARAH NAMISI SEC. SCHOOL	COOP BANK	1141669036900	502	
FRIENDS SEC. SCHOOL BUKANANACHI	COOP BANK	1141668364700	47,885	
MWIKHUPO BAPTIST SEC. SCH	COOP BANK	1141536741800	2,625	
BUKEMBE AP. LINE	COOP BANK	1141425367400	10,472	
KOMBO PRIMARY SCHOOL	COOP BANK	1139290670600	11,974	
KANDUYI DEB PRIMARY SCH	COOP BANK	1141290096800	131,064	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
CHEMULULUCHI R.C PRI. SCHOOL	COOP BANK	1141290180100	22,647	
SAMOYA R.C. PRIMARY SCHOOL	COOP BANK	1141290066600	1	
SIRITANYI POLICE POST	COOP BANK	1141668350600	2,669	
FRIENDS SEC. SCH. KIMUGUI GIRLS	COOP BANK	1141427394300	280,131	
MUSIKOMA CHIEFS OFFICE	COOP BANK	1141427066000	1,028	
ST. MARYS KAMBA SEC. SCHOOL	COOP BANK	1141536381100	312,583	
FRIENDS SEC. SCHOOL. KITALE	COOP BANK	1141049928700	25,113	
NDENGELWA SECONDARY SCHOOL	COOP BANK	1139049915102	6,405	
LUTUNGU R.C. PRI. SCHOOL	COOP BANK	1141425169600	1,463	
BUUMBA CCA PRIMARY SCHOOL	COOP BANK	1141290080600	15,442	
BUKUSU R.C. PRIMARY SCHOOL	COOP BANK	1141011604800	1,243	
MUNGETI RC. PRIMARY SCHOOL	COOP BANK	1141049901401	1,325	
MALIKI PRIMARY SCHOOL	COOP BANK	1141669952800	3,495	
MATUMBUFU BAPTIST PRI. SCHOOL	COOP BANK	1141427665200	760	
MUFULE FYM PRIMARY SCHOOL	COOP BANK	1141049273700	388	
RANJE DEB PRI. SCHOOL	COOP BANK	1141049651500	3,751	
STARLIGHT SEC. SCH. NABUKHISA	COOP BANK	1141668896700	15,438	
NABUKHISA PRIMARY SCHOOL	COOP BANK	1141536540100	215,011	
BUNGOMA DEB PRIMARY SCH.	COOP BANK	1141049581000	713,083	
SIKA MIXED DAY SEC. SCHOOL	COOP BANK	1141668229700	13,403	
MWIKHUPO BAPTIST PRI. SCH.	COOP BANK	1141049674800	303	
BUKEMBE ERSF PRI. SCHOOL	COOP BANK	1141049280100	31,012	
SANGO FYM PRIMARY SCHOOL	COOP BANK	1141049277400	1	
NALUTIRI SA GIRLS SEC. SCHOOL	COOP BANK	1141669180700	129	
FRIENDS SEC. SCH. MISANGA	COOP BANK	1141011613900	6,308	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MECHIMERU CHIEFS' OFFICE	COOP BANK	1141669297300	9,785	
BUKANANACHI FRIENDS PRI. SCH	COOP BANK	1141049617800	46	
KISULUNI SA. SEC. SCHOOL	COOP BANK	1141536430100	679	
MAOCHO PRIMARY SCHOOL	COOP BANK	1141669585000	240	
KHAOYA PRIMARY SCHOOL	COOP BANK	1141049135200	1,233	
KHAOYA FRIENDS SEC SCHOOL	COOP BANK	1141783467200	45,704	
ACK THE GOOD SHEPHERD KIBABII	COOP BANK	1141783084500	94,839	
KANDUNYI CDF SPORTS ACTIVITIES	COOP BANK	1141668034000	193	
NZOIA INDUSTRIAL PRIMARY SCHOOL	COOP BANK	1141290238600	1,040	
MOI DEB PRIMARY SCHOOL	COOP BANK	1141783625900	22,175	
KANDUYI NGCDF	COOP BANK	1141050482500	142,697	
DO'S OFFICE EAST BUKUSU	COOP BANK	1141669149200	1,463	
KANDUYI CONSTITUENCY DOCUMENTA	COOP BANK	1141668574000	913	
KANDUYI CONSTITUENCY DISPATCH	COOP BANK	1141668573900	1,163	
BUUMBA - WACHEKA BRIDGE	COOP BANK	1141669225800	21,045	
BUNGOMA MUSLIM PRIMARY SCHOOL	COOP BANK	1141783628700	455,494	
SANG'ALO SECONDARY SCHOOL	COOP BANK	1141049927000	71,073	
ST TERESA'S SIO HIGH SCHOOL	COOP BANK	1141536221600	19,236	
ST PATRICKS KIMKUNGI SECONDARY	COOP BANK	1139049925202	96,949	
NZOIA SUGAR GIRLS SEC SCHOOL	COOP BANK	1141783628600	1,326	
ST MARTINS MWIBALE SEC	COOP BANK	1139049926602	1,250	
SIANGWE RC PRIMARY SCHOOL	COOP BANK	1141049120000	19,544	
NAMISI CEB PRIMARY SCHOOL	COOP BANK	1141783459900	975	
KAKICHUMA RC PRIMARY SCHOOL	COOP BANK	1141050148500	27,267	
SIKA DEB PRIMARY SCHOOL	COOP BANK	1141049099700	4,218	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MUPELI DEB PRIMARY SCHOOL	COOP BANK	1141049408901	205,362	
BUNGOMA BAPTIST GIRLS HIGH SCHOOL	COOP BANK	1141049724400	1,975	
ST PETERS HIGH SCHOOL MUSIMOMA	COOP BANK	1141050223300	60,365	
MAKUTANO SA PRIMARY SCHOOL	COOP BANK	1141783628500	97,478	
ST JOHN'S LUTUNGU SEC. SCHOOL	COOP BANK	1141783151500	950	
MUKHOLI CEB PRIMARY SCHOOL	COOP BANK	1141783024300	1,975	
BUNGOMA MUSLIM SECONDARY SCH	COOP BANK	1139050281002	167,614	
TEMBELELA SA MIXED SEC SCHOOL	COOP BANK	1141783648500	7,332	
ST JOHN THE BAPTIST NAMASANDA SEC	COOP BANK	1141409499000	1,730	
ST VERONICA SIRTANYI SECONDARY	COOP BANK	1141782896000	31,075	
ST MARY MAGDALENE NAMAMUKA SEC	COOP BANK	1141669756800	7,814	
ST MARTINS KITINDA SECONNDARY	COOP BANK	1141783059000	491,843	
ST MARY'S KIBABII GIRLS SECONDARY	COOP BANK	1141049881400	835	
NZOIA INDUSTRIAL BOYS SEC	COOP BANK	1141669826400	131,893	
KIMUKUNG'I RC PRIMARY	COOP BANK	1141049271900	1,293	
ST VERONICA RANJE HIGH SCHOOL	COOP BANK	1141011614600	1,853	
CARDINAL OTUNGA SECONDARY SCH	COOP BANK	1141049923600	33,865	
WACHEKA PRIMARY SCHOOL	KCB	1201278511	42,727	
			7,672,724	222,818

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																		
1. Failure to Provide a Trial Balance	<p>The Fund Management did not provide a trial balance for the National Government Constituencies Development Fund - Kanduyi Constituency as at 30 June, 2020.</p> <p>In the circumstances, it is not clear how the balances in the financial statements were drawn in absence of a trial balance.</p>	The trial balance is available	Resolved																			
2.Accuracy and Completeness of Financial Statement	<p>The statement of receipts and payments for the year under review reflects compensation of employees comparative amount of Kshs.1,923,933 which, according to the supporting Note 4 to the financial statements, consists of basic wages of contractual employees amount of Kshs.1,829,745 and employer contribution to NSSF figure of Kshs.94,188. However, according to the audited financial statements for 2018/2019, the entire expenditure of Kshs.1,923,933 was basic wages of contractual employees. No explanation was given for this inconsistency.</p>	Basic wages include statutory deductions	Resolved																			
2.1 Compensation of Employees	<p>Note 5 to the financial statements reflect use of goods and services figure of Kshs.9,636,143, which includes committee expenditure amount of Kshs.3,495,042 that differs with the committee expenditure figure of Kshs.5,261,399 contained in the annual expenditure returns. The resultant variance of Kshs.1,766,357 between the two sets of records was not reconciled or explained.</p> <p>Further, the following expenditure amounts totaling Kshs.5,844,101, reflected in Notes 5 to the financial statements were not supported with the respective schedules of payment details and Management did not provide explanation for not availing the schedules:</p> <table><thead><tr><th>Expenditure Item</th><th>Amount Kshs.</th></tr></thead><tbody><tr><td>Utilities, supplies and services</td><td>394,000</td></tr><tr><td>Communication, supplies and services</td><td>435,601</td></tr><tr><td>Domestic travel and subsistence</td><td>146,500</td></tr><tr><td>Printing, advertising and information supplies & services</td><td>2,000,000</td></tr><tr><td>Hospitality supplies and services</td><td>761,000</td></tr><tr><td>Insurance costs</td><td>412,000</td></tr><tr><td>Office and general supplies and services</td><td>500,000</td></tr><tr><td>Other operating expenses</td><td>450,000</td></tr></tbody></table>	Expenditure Item	Amount Kshs.	Utilities, supplies and services	394,000	Communication, supplies and services	435,601	Domestic travel and subsistence	146,500	Printing, advertising and information supplies & services	2,000,000	Hospitality supplies and services	761,000	Insurance costs	412,000	Office and general supplies and services	500,000	Other operating expenses	450,000	Committee expense has since been reconciled and schedules have been availed for review and perusal	Resolved	
Expenditure Item	Amount Kshs.																					
Utilities, supplies and services	394,000																					
Communication, supplies and services	435,601																					
Domestic travel and subsistence	146,500																					
Printing, advertising and information supplies & services	2,000,000																					
Hospitality supplies and services	761,000																					
Insurance costs	412,000																					
Office and general supplies and services	500,000																					
Other operating expenses	450,000																					
2.2. Use of Goods and Services																						

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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)																				
2.3 Other Grants and Transfers	The statement of receipts and payments reflect other grants and transfers expenditure of Kshs.52,181,969 which excludes a payment of Kshs.1,000,000 for other projects recorded in the expenditure returns under economic item 2640508.	The expenditure has been included correctly	Resolved																					
2.4 Acquisition of Assets	The statement of receipts and payments reflects acquisition of assets figure of Kshs.1,000,000 which, according to Note 8 to the financial statements, relates to refurbishment of buildings. However, the relevant supporting documents, including a schedule of transaction details and procurement documents were not availed for audit verification. Further, the expenditure could not be traced in the annual expenditure returns availed for audit. In addition, the figure of Kshs.1,000,000 is not included in the summary of fixed asset register at annex 4 as addition during the year. No reasons were given for these anomalies.	Documents have been availed for correction of anomalies.	Resolved																					
2.5 Cash and Cash Equivalents	The statement of assets and liabilities as at 30 June, 2020 reflects cash and cash equivalents balance of Kshs.19,337,348 which was arrived at after deducting unrepresented cheques totalling Kshs.8,530,154, shown in the bank reconciliation statement for June, 2020. However, this figure of Kshs.8,530,154 differs with Kshs.1,139,686 reflected in the schedule of unrepresented cheques attached to the bank reconciliation statement by unreconciled variance of Kshs.7,390,468. Further, the unrepresented cheques of Kshs.1,139,686 were all stale as at 30 June, 2020 and no explanation was provided for not reversing them in the cashbook before preparing the reconciliation statement.	Stale cheques have since been replaced and all the figure reconciled,	Resolved																					
2.6. Variances in Comparative Amounts	We noted the following variances in comparative amounts between the financial statements for the year under review and the audited financial statements for the previous year, which were not reconciled by Management. <table><tr><th>Item</th><th>2018/2019 amount as per FSs 2019/2020</th><th>2018/2019 amount as per FSs 2018/2019</th><th>Variance</th></tr><tr><td>Use of goods and services</td><td>Kshs.</td><td>Kshs.</td><td>Kshs.</td></tr><tr><td>Committee expenses</td><td>2,073,500</td><td>2,300,000</td><td>(226,500)</td></tr><tr><td>Insurance costs</td><td>438,000</td><td>-</td><td>438,000</td></tr><tr><td>Office and general supplies</td><td>531,700</td><td>743,200</td><td>(211,500)</td></tr></table>				Item	2018/2019 amount as per FSs 2019/2020	2018/2019 amount as per FSs 2018/2019	Variance	Use of goods and services	Kshs.	Kshs.	Kshs.	Committee expenses	2,073,500	2,300,000	(226,500)	Insurance costs	438,000	-	438,000	Office and general supplies	531,700	743,200	(211,500)
Item	2018/2019 amount as per FSs 2019/2020	2018/2019 amount as per FSs 2018/2019	Variance																					
Use of goods and services	Kshs.	Kshs.	Kshs.																					
Committee expenses	2,073,500	2,300,000	(226,500)																					
Insurance costs	438,000	-	438,000																					
Office and general supplies	531,700	743,200	(211,500)																					

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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)																
	and services																			
	Other operating expenses	464,432	864,432	(400,000)																
	Routine maintenance - vehicles and other transport equipment	875,000	-	875,000																
	Routine maintenance - other assets	-	475,000	(475,000)																
	Unutilized funds			-																
	Amount due to other grants and transfers	18,964,522	14,964,522	4,000,000																
	PMC bank balances																			
	Total figure	1,018,464	274,811	743,653																
2.7 Statement of Cash Flows	The statement of cash flows for the year ended 30 June, 2020 reflects comparative figures for 2018-2019 which do not agree with the previous year's audited financial statements. The amounts actually belong to the year 2017-2018 as reported in the financial statements of that year. Management did not provide reason for the anomaly.		This was typing error which has since been corrected.	Resolved																
2.8 Summary Statement of Appropriation	The summary statement of appropriation: recurrent and development combined reflects original budget, adjustments and final budget total amounts which differ with corresponding amounts shown in the budget document availed for audit as follows:		The Financial stated has since been corrected to reflect the correct figures.	Resolved																
		<table><tr><th>Description</th><th>Amount as per financial statement</th><th>Amount as per budget document</th><th>Variance</th></tr><tr><td></td><td>Kshs.</td><td>Kshs.</td><td>Kshs.</td></tr><tr><td>Original budget</td><td>137,367,724</td><td>139,367,724</td><td>(2,000,000)</td></tr><tr><td>Adjustment</td><td>61,011,563</td><td>51,826,520</td><td>9,185,043</td></tr></table>	Description	Amount as per financial statement	Amount as per budget document	Variance		Kshs.	Kshs.	Kshs.	Original budget	137,367,724	139,367,724	(2,000,000)	Adjustment	61,011,563	51,826,520	9,185,043		
Description	Amount as per financial statement	Amount as per budget document	Variance																	
	Kshs.	Kshs.	Kshs.																	
Original budget	137,367,724	139,367,724	(2,000,000)																	
Adjustment	61,011,563	51,826,520	9,185,043																	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																																												
	<p>Further, analysis of the budget document per economic items reflected in the financial statement revealed the following variances with the statement:</p> <p>a) The statement reflects other grants and transfers original budget figure of Kshs.46,704,629 which disagrees with Kshs.48,704,629 shown in the budget document by unreconciled variance of Kshs.2,000,000.</p> <p>b) The statement also reflects adjustments figures which differ with the budget documents as follows:</p> <table><tr><th>Item</th><th>Amount as per Financial Statement Kshs.</th><th>Amount as per Budget Document Kshs.</th><th>Variance Kshs.</th></tr><tr><td>Compensation of Employees</td><td>2,999,841</td><td>2,085,019</td><td>914,822</td></tr><tr><td>Use of Goods and Services</td><td>2,021,368</td><td>1,857,833</td><td>163,535</td></tr><tr><td>Transfers to Other Government Units</td><td>40,500,000</td><td>39,500,000</td><td>1,000,000</td></tr><tr><td>Other Grants and Transfers</td><td>14,490,355</td><td>8,383,668</td><td>6,106,687</td></tr><tr><td>Acquisition of Assets</td><td>1,000,000</td><td>0</td><td>1,000,000</td></tr><tr><td>Total</td><td>61,011,564</td><td>51,826,520</td><td>9,185,044</td></tr></table> <p>c) In addition, the statement reflects final budget figures which differ with the budget documents as follows:</p> <table><tr><th>Item</th><th>Amount as per Financial Statement Kshs.</th><th>Amount as per Budget Document Kshs.</th><th>Variance Kshs.</th></tr><tr><td>Compensation of Employees</td><td>5,549,841</td><td>4,635,019</td><td>914,822</td></tr><tr><td>Use of Goods and Services</td><td>11,834,463</td><td>11,670,928</td><td>163,535</td></tr><tr><td>Transfers to Other Government Units</td><td>115,800,000</td><td>114,800,000</td><td>1,000,000</td></tr><tr><td>Other Grants and Transfers</td><td>61,194,984</td><td>55,088,297</td><td>6,106,687</td></tr><tr><td>Acquisition of Assets</td><td>1,000,000</td><td>0</td><td>1,000,000</td></tr><tr><td>Other Payments</td><td>3,000,000</td><td>3,000,000</td><td>0</td></tr><tr><td>Total</td><td>198,379,288</td><td>189,194,244</td><td>9,185,044</td></tr></table>	Item	Amount as per Financial Statement Kshs.	Amount as per Budget Document Kshs.	Variance Kshs.	Compensation of Employees	2,999,841	2,085,019	914,822	Use of Goods and Services	2,021,368	1,857,833	163,535	Transfers to Other Government Units	40,500,000	39,500,000	1,000,000	Other Grants and Transfers	14,490,355	8,383,668	6,106,687	Acquisition of Assets	1,000,000	0	1,000,000	Total	61,011,564	51,826,520	9,185,044	Item	Amount as per Financial Statement Kshs.	Amount as per Budget Document Kshs.	Variance Kshs.	Compensation of Employees	5,549,841	4,635,019	914,822	Use of Goods and Services	11,834,463	11,670,928	163,535	Transfers to Other Government Units	115,800,000	114,800,000	1,000,000	Other Grants and Transfers	61,194,984	55,088,297	6,106,687	Acquisition of Assets	1,000,000	0	1,000,000	Other Payments	3,000,000	3,000,000	0	Total	198,379,288	189,194,244	9,185,044			
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*Kanduyi Constituency
National Government Constituencies Development Fund (NGCDF)
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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)
2.9 PMC Bank Balances	<p>As disclosed in Note 17.4 and annex 4 - PMC bank account balances - to the financial statements, the Fund had forty-eight (48) PMC bank balances totaling Kshs.222,818 as at 30 June, 2020. However, the relevant certificates of bank balances from the respective banks were not availed for audit verification.</p> <p>In view of the foregoing, the accuracy and completeness of financial statements could not be confirmed.</p>	Statements of bank balance availed	Resolved	