



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
TABLED	The Leader of the Majority Party (LOM)
CLERK AT THE TABLE:	Inzofu Mwale

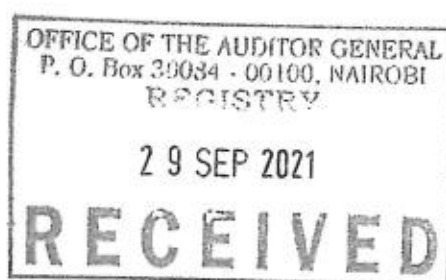
OF

THE AUDITOR-GENERAL

ON

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

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



FUNYULA 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)

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	2
II. NG-CDFC CHAIRMAN'S REPORT	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES	10
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	12
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES	15
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE <i>NGCDF- FUNYULA CONSTITUENCY</i>	16
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021	17
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021	18
IX. STATEMENT OF CASHFLOW	19
X. SUMMARY STATEMENT OF APPROPRIATION.....	20
X. BUDGET EXECUTION BY SECTORS AND PROJECTS	23
XI. SIGNIFICANT ACCOUNTING POLICIES	29
XII. NOTES TO THE FINANCIAL STATEMENTS.....	32
VIII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.....	50

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 Funyula 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	Winston Lihanda
2.	Sub-County Accountant	Paul Ojiambo
3.	Chairman NGCDFC	Andrew Oduory
4.	Member NGCDFC	David Ojaju

(d) Fiduciary Oversight Arrangements

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

P.O. Box 44 - 50406
Funyula NG CDF Building
Funyula, Kenya

(f) Funyula Constituency NGCDF Contacts

Telephone: (254) 787 883 580
E-mail: [ngcdf@funyula@ngcdf.go.ke](mailto:ngcdf@funyula.ngcdf.go.ke)
info@ngcdf.go.ke

(g) Funyula Constituency NGCDF Bankers

Equity Bank of Kenya
Busia Branch
0780292650348
P. O. Box 553 - 50400
Busia

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

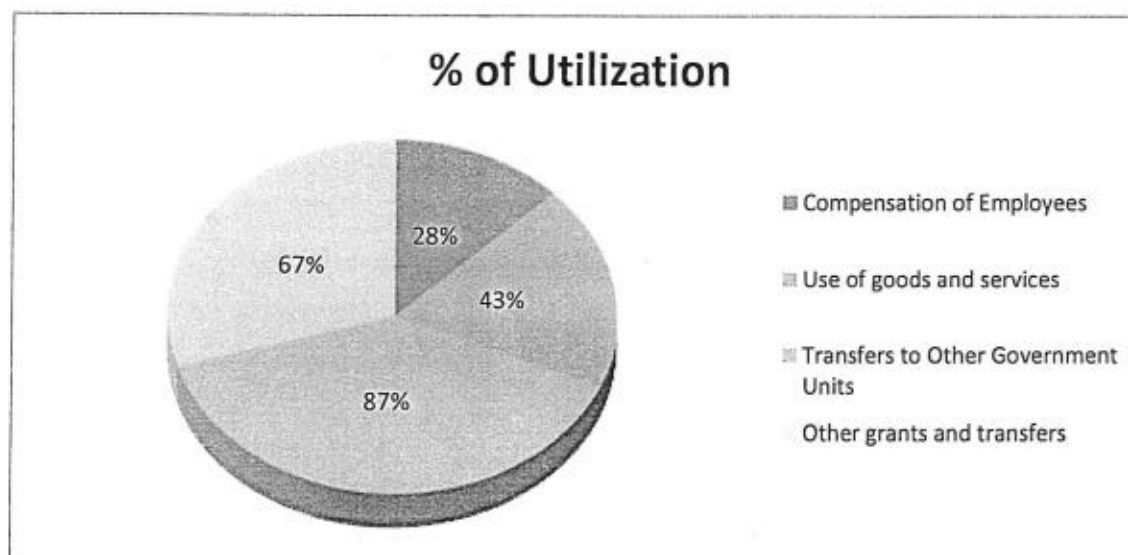
II. NG-CDFC CHAIRMAN'S REPORT

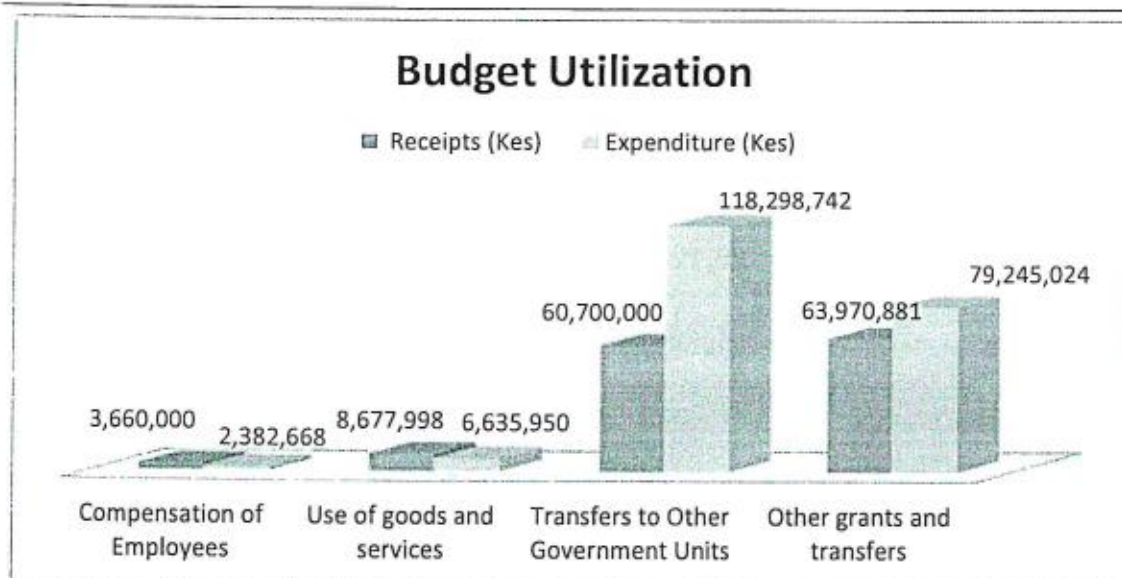


Andrew Oduory
Chairman
Funyula NG- CDF

Budget Performance

The budget performance against the actual amounts achieved an average of 73 % utilization for the economic classification and programmes represented as follows:





Key Achievements of the Fund

Bursary

The Fund was able to sponsor 6,470 students under the bursary program that enabled the needy beneficiaries' access education in various tertiary educational institutions. The objective is to reduce drop out rates and increase retention & completion rates in education institutions.

The Fund was able to sponsor KMTTC students thereby contributing towards the government agenda on Universal Health Coverage.

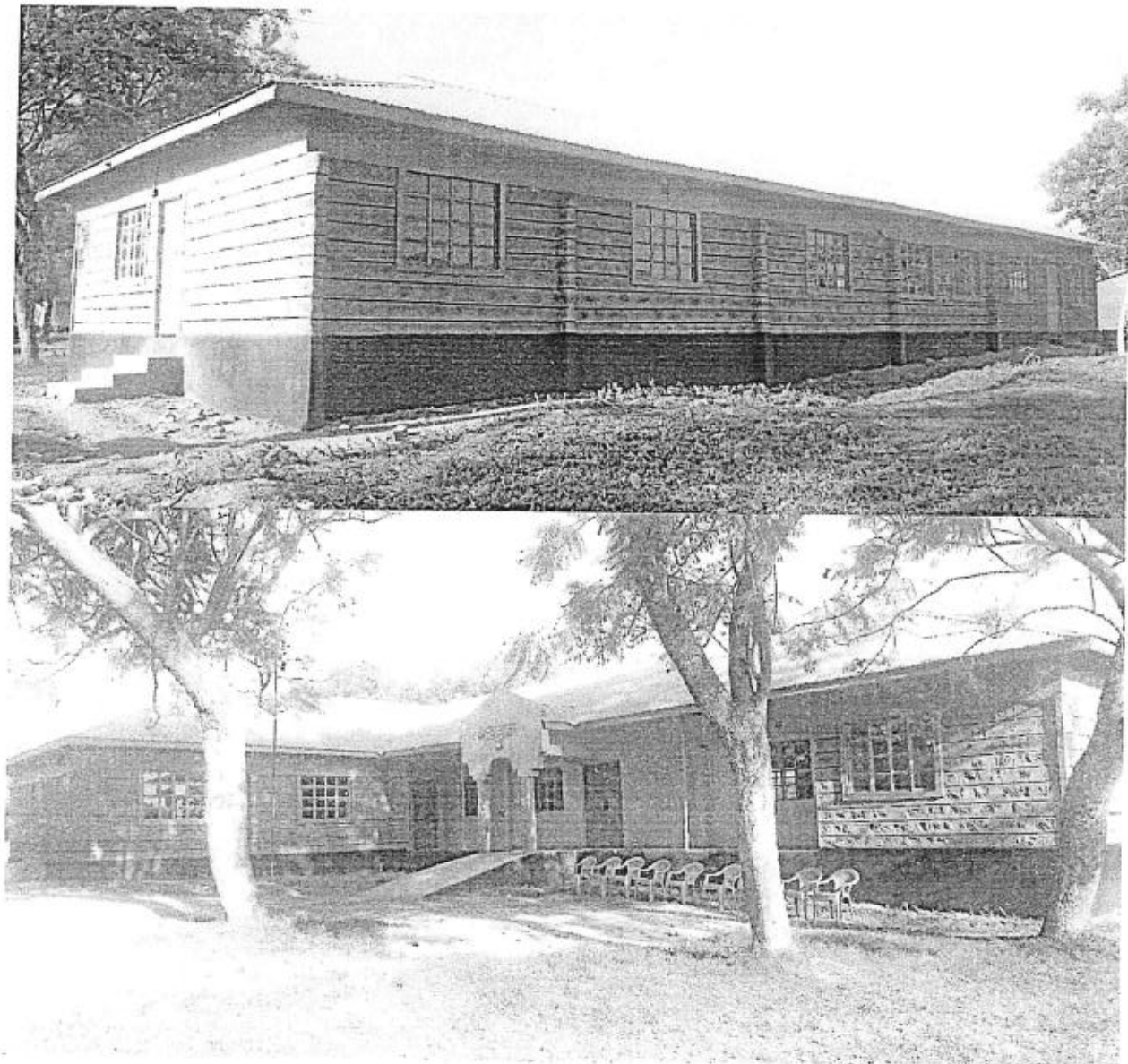
The Fund was able to sponsor 600 vulnerable families in the constituency for medical insurance cover under the social security programme

Education

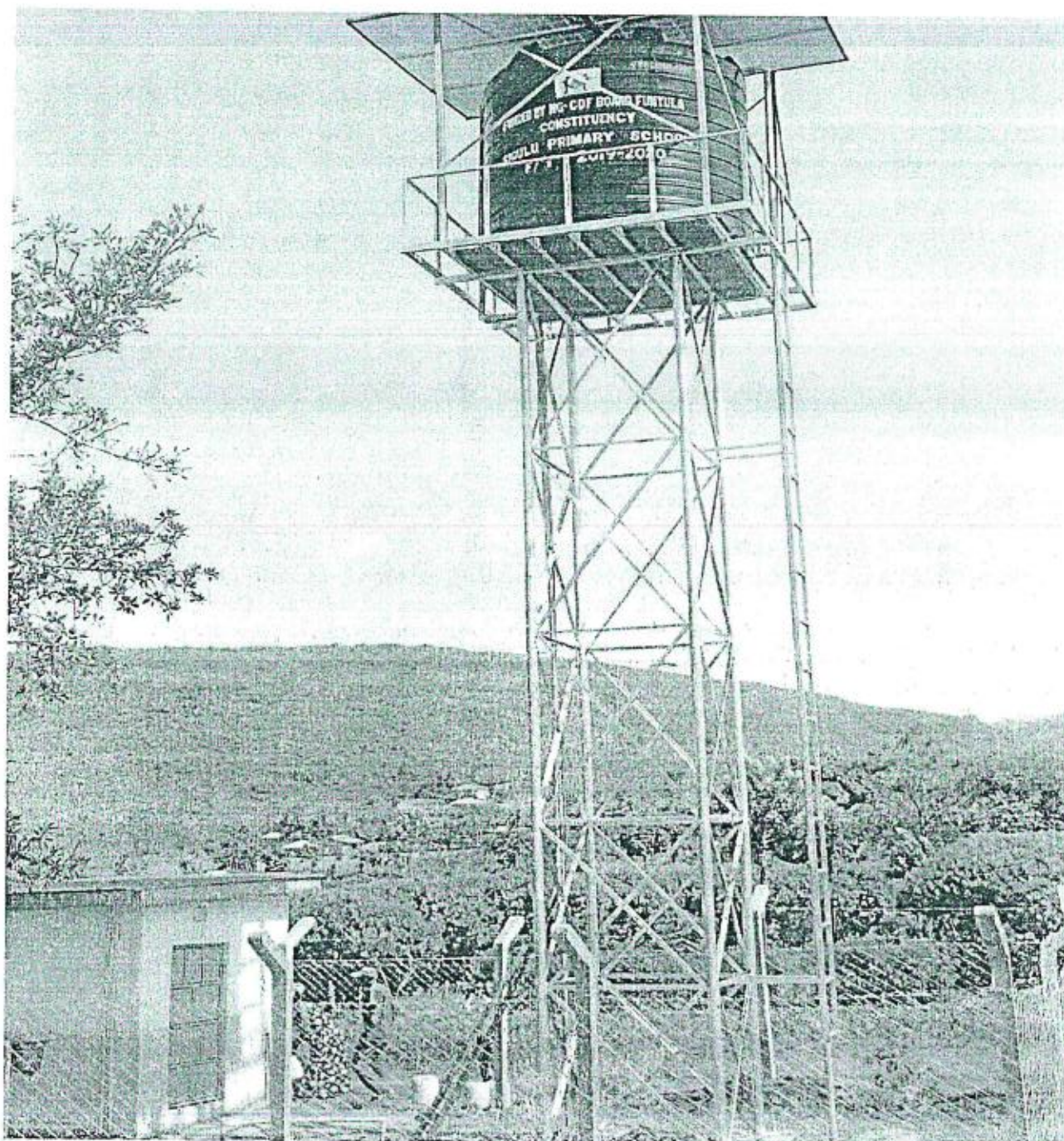
The Fund contributed towards the government policy on 100% transition through provision & expansion of infrastructure in various educational institutions within the constituency.

The Fund has intervened in response to Covid-19 pandemic through provision of infrastructure in schools i.e., classrooms, dormitories, laboratories, administration blocks and pit latrines that has reduced congestion in these facilities.

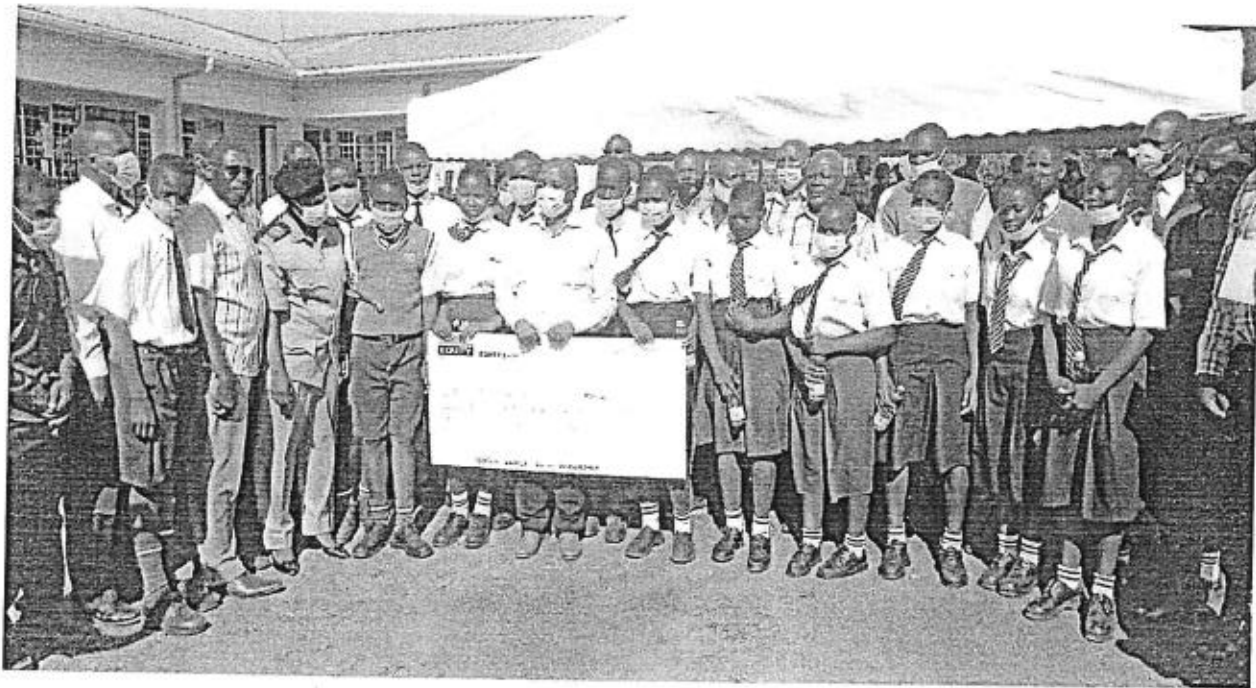
Project Name: St. Aquinas Nanderema Boys Secondary School – Construction of a Dormitory



Project Name: Sigulu Primary School – Drilling & Equipping of a borehole



Project Name: Education Bursary – Provision of bursary awards to needy students

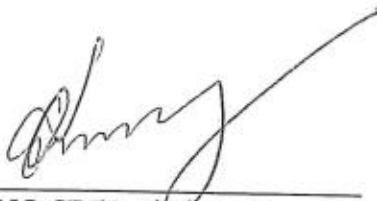


Emerging issues

- i. Covid -19 Pandemic
- ii. NG CDF going concern in view of litigation on its constitutionality and amid talks of constitution referendum.

Challenges

- i. Delays in receipt of funding has affected the performance of the budget and led to delays in project implementation.
- ii. Changes in the school calendar has affected implementation of the bursary program.



NG CDFC Chairman
Andrew Oduory

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.

Key development objectives

Education

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

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

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

Security

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

Initiative: Improving infrastructure and service delivery

Water and Environment

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

Initiative: Initiate and enhance conservation programs within the constituency

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

Sports

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

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

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	<p>In FY 20/21 we increased number of classrooms to 16 in the following schools/institutions;</p> <ul style="list-style-type: none"> - Buburi Primary - Bumayenga Primary - Bujwanga Primary - Namasali Primary Schools <p>- Bursary beneficiaries at all levels were as per the attached schedules</p>

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NG CDF - Funyula Constituency 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

Funyula NG CDFC endeavours to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development.

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring.

2. Environmental performance

Environmental Policy

- 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 NG CDF Committee 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

Environmental Plan

Our Environmental Action Plan Funyula NG-CDF has identified the following 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.

- Capacity Building
- Conservation of Energy and Resources
- Environmental Protection and Conservation
- Pollution Control and Waste Management

Employee welfare

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters. Categories of Employment Funyula NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

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

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Location of the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time. Letters of Appointment A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this. Induction and orientation is done within the first three months of employment. Promotions In selecting candidates for promotion, regard is given to merit and extra

ordinary ability as reflected in work performance and results after the annual performance appraisal Recommendations for promotion is only made by the NG-CDFC resolution

3. Market place practices

The Fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDF Act 2015 provisions.

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

4. Community Engagements

Public Participation in Project Identification and Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from.

There after the list of proposed constituency-based projects to be covered under this Act shall be submitted by NG-CDFC to the Board. 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.

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.

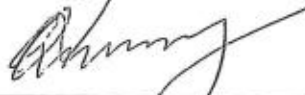
The Accounting Officer in charge of the NGCDF- Funyula Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2021. This 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-Funyula 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 *Funyula 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- Funyula Constituency further confirms the completeness of the accounting records maintained for the *Funyula constituency*, which have been relied upon in the preparation of the NGCDF- Funyula financial statements as well as the adequacy of the systems of internal financial control.

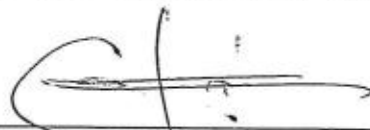
The Accounting Officer in charge of the NGCDF Funyula Constituency confirms that the *Funyula constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants, and that the NGCDF Funyula funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *Funyula 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- Funyula Constituency financial statements were approved and signed by the Accounting Officer on 5th August, 2021.



Chairman NGCDF Committee
Name: Andrew Oduory



Fund Account Manager
Name: Lihanda Winston

REPUBLIC OF KENYA

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



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - FUNYULA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Funyula Constituency set out on pages 17 to 51, which comprise of the statement of financial assets and liabilities as at 30 June, 2021,

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

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

Basis for Qualified Opinion

1. Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balances of Kshs.30,787,174 which, as shown under Note 10(a) relates to the Fund's bank balance. However, a review the bank reconciliation statement for the month of June, 2021, revealed stale cheques amounting to Kshs.721,009 that had not been reversed in the cash book as at that date. In addition, certificate of bank balance was not provided for audit.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.30,787,174 could not be confirmed.

2. Project Management Committee (PMC) Bank Account Balances

Note 17.4 to the financial statements reflects Project Management Committee bank account balances amounting to Kshs.87,103,004 which, as detailed in Annex 5, comprises of seventy-four (74) PMC bank balances held in various accounts in Equity Bank. However, the balances were not supported by bank reconciliation statements, cash books and certificates of bank balance.

In the circumstances, the accuracy and completeness of PMC balances of Kshs.87,103,004 could not be confirmed.

3. Other Grants and Transfers

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.78,289,234 in respect of other grants and transfers. The following unsatisfactory matters were noted:

3.1 Bursaries to Secondary Schools and Tertiary Institutions

Included in the other grants and transfers expenditure is amounts of Kshs.21,523,416 and Kshs.21,830,835 both relating to bursaries to secondary schools and tertiary institutions respectively. However, no evidence was provided to indicate the criteria that was used to identify the needy cases. In addition, the amount of Kshs.43,354,251 differs from the supporting schedules amount of Kshs.44,335,232 resulting to an unexplained variance of Kshs.980,981.

3.2 Emergency Funds

The other grants and transfers includes an amount of Kshs.7,500,000 relating to emergency projects. This amount was incurred under rural electrification and renewable energy in supply of transformers and reticulations to cover fifty (50) households in each of the three sub-locations of Sibiriri, Nanderema and Mango. However, no evidence was provided to support the number of transformers and the list of the fifty (50) households in each of the three sub-locations.

3.3 Failure to Provide Projects Returns for Security Projects

Included in the other grants and transfer expenditure is an amount of Kshs.13,887,770 disbursed for implementation of security projects. The amount includes a total of Kshs.3,930,000 incurred on implementation of three (3) projects; Namuduru Police Patrol Base, Namboto and Agenga Chief's office at a cost of Kshs.1,550,000, Kshs.1,430,000 and Kshs.950,000 respectively. However, expenditure returns from the three respective Project Management Committees were not provided to support the amounts disbursed.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.78,289,234 in respect of other grants and transfers could not be confirmed.

4. Transfers to Other Government Entities

The statement of receipts and payments reflects an amount of Kshs.118,298,742 under transfers to other Government entities which, as indicated in Note 6, comprise amounts of Kshs.71,908,241 and Kshs.46,390,500 being transfers to primary schools and secondary schools respectively. However, the transfers were not supported by expenditure returns by the Project Management Committees of the respective recipient institutions.

In the circumstances, the accuracy, completeness and propriety of the transfers totalling Kshs.118,298,742 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 - Funyula 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 total receipts budget of Kshs.284,538,437 against actual budget of Kshs.237,349,558 resulting in unrealized disbursements amounting to Kshs.47,188,879 or 17% of the budget. Further, the statement reflects total expenditure budget of Kshs.284,538,437 against actual payments of Kshs.206,562,384 resulting to under absorption of Kshs.77,976,053 or 27% 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, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Stalled Construction of Bukiri Police Post

The statement of receipts and payments reflects an expenditure of Kshs.78,289,234 in respect of other grants and payments which, as disclosed in Note 7, includes Kshs.13,887,770 disbursed for security projects. Included in the security project expenditure is an amount of Kshs.13,887,770 is Kshs.1,527,770 disbursed for construction of Bukiri Police Post. Review of the project file indicated that the tender opening minutes were not initialized on each page by the tender opening committee members as required by Section 78, Paragraph 11 of the Public Procurement and Disposal Act, 2015.

In addition, evaluation criteria required bidders to have a valid business permit. However, the winning bidder did not submit a valid permit and the letter of acceptance was not

signed by the contractor. The contract agreement provided for a contract period of twelve (12) weeks, however, as at the time of audit inspection on 12 May, 2022, the contract had taken a period of twenty-nine (29) weeks and had stalled

In the circumstances, it could not be confirmed that proper procurement procedures were followed and that value for money was obtained from the project.

2. Human Resource Records

The statement of receipts and payments reflects compensation of employee's expenditure of Kshs.2,382,668 which, as disclosed in Note 4 to the financial statements, include an expenditure of Kshs.2,156,348 on basic staff salaries. Staff records available revealed that nine (9) of the employees were serving on contract terms and that gratuity due to the nine employees was not disclosed in the financial statements. Further, the Note 4 indicates that in 2019/2020, the Fund had a balance of Kshs.1,116,661 under gratuity to contractual employees while in the year under review, the balance was nil. No explanation was provided on how the balance was cleared.

In addition, the records provided for audit indicated that contracts for all the nine employees on contract terms had expired as at 30 June, 2021 but had not been renewed. The Fund did not also remit amounts totalling Kshs. 90,040 to statutory bodies during the year under review.

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

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 (Accrual Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal 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 controls 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 control 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 as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

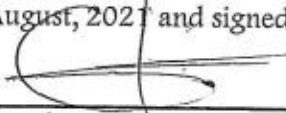
Nairobi

06 September, 2022


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

	Note	2020 - 2021	2019 - 2020
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	177,225,494	122,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		177,225,494	122,040,876
PAYMENTS			
Compensation of employees	4	2,382,668	3,605,035
Use of goods and services	5	6,635,950	5,796,575
Transfers to Other Government Units	6	118,298,742	49,862,250
Other grants and transfers	7	78,289,234	10,766,877
Acquisition of Assets	8	955,790	-
Other Payments	9	-	-
TOTAL PAYMENTS		206,562,384	70,030,737
SURPLUS/DEFICIT		(29,336,890)	52,010,139

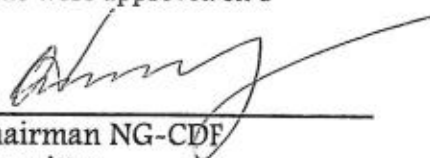
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Funyula Constituency financial statements were approved on 5th August, 2021 and signed by:


Fund Account Manager

Name: Lihanda Winston


National Sub-County
Accountant

Name: Paul Ojiambo
ICPAK M/No:


Chairman NG-CDF
Committee

Name: Andrew Oduory

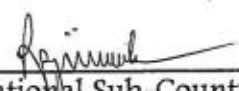
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	30,787,174	60,124,064
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		30,787,174	60,124,064
Accounts Receivable			
Outstanding Imp rest	11	-	-
TOTAL FINANCIAL ASSETS		30,787,174	60,124,064
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		30,787,174	60,124,064
REPRESENTED BY			
Fund balance b/fwd 1st July, 2020		60,124,064	8,113,925
Prior year adjustments	14	-	
Surplus/Deficit for the year		(29,336,890)	52,010,139
NET FINANCIAL POSITION		30,787,174	60,124,064

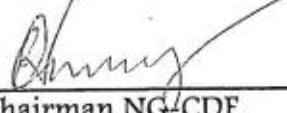
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Funyula Constituency financial statements were approved on 5th August, 2021 and signed by:


Fund Account Manager

Name: Lihanda Winston


National Sub-County
Accountant

Name: Paul Ojiambo
ICPAK M/No:


Chairman NG-CDF
Committee

Name: Andrew Oduory

IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	177,225,494	122,040,876
Other Receipts	3	-	-
		177,225,494	122,040,876
Payments for operating activities			
Compensation of Employees	4	2,382,668	3,605,035
Use of goods and services	5	6,635,950	5,796,575
Transfers to Other Government Units	6	118,298,742	49,862,250
Other grants and transfers	7	78,289,234	10,766,877
Other Payments	9	-	-
		205,606,594	70,030,737
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(28,381,100)	52,010,139
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(955,790)	-
Net cash flows from Investing Activities		(955,790)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(29,336,890)	52,010,139
Cash and cash equivalent at BEGINNING of the year	10	60,124,064	8,113,925
Cash and cash equivalent at END of the year		30,787,174	60,124,064

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Funyula Constituency financial statements were approved on 5th August, 2021 and signed by:-

Fund Account Manager

National Sub-County Accountant

Chairman NG-CDF Committee

Name: Lihanda Winston

Name: Paul Ojiambo
ICPAK M/No:

Name: Andrew Oduory

X. SUMMARY STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	Opening Balance (C/Bk) and AIA	b Previous years Outstanding Disbursements	c=a+b	d	e=c-d	f=d/c %
RECEIPTS							
Transfers from NG-CDF Board	137,008,879	60,124,064	87,405,494	284,538,437	237,349,558	47,188,879	83%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	0.0%
TOTAL RECEIPTS	137,008,879	60,124,064	87,405,494	284,538,437	237,349,558	47,188,879	83%
PAYMENTS							
Compensation of Employees	3,660,000	4,992,000		8,652,000	2,382,668	6,269,332	28%
Use of goods and services	8,677,998	6,159,936	500,000	15,337,934	6,635,950	8,701,984	43%
Transfers to Other Government Units	60,700,000	48,472,128	26,745,474	135,917,602	118,298,742	17,618,860	87%
Other grants and transfers	63,970,881	500,000	60,160,020	124,630,901	79,245,024	45,385,877	64%
Acquisition of Assets	-	-	-	-	-	-	0.0%
Other Payments	-	-	-	-	-	-	0.0%
TOTAL	137,008,879	60,124,064	87,405,494	284,538,437	206,562,384	77,976,053	73%


COMMENTARY ON BUDGET UTILISATION

1. The total adjustments column is Kes. 60,124,064; comprising of an AIE's of Kes. 13,000,000, 55,040,875.50 for FY 2018/19 received in FY 2019/2020, balance brought forward from FY 2018/19 of Kes. 8,113,925.
2. Budget utilization for financial year 2021/22 was 72.6 % i.e.:

-
- ✓ The funding of compensation of employees was delayed thus the underutilization at 28%.
 - ✓ The funding of use of goods and services was delayed thus underutilization at 43.3%.
 - ✓ The funding of transfers to other Government entities was delayed thus underutilization at 87.0%
 - ✓ The funding of other grants and transfers was delayed thus underutilization at 63.6%.


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	77,976,053
Less undisbursed funds receivable from the Board as at 30th June 2021	47,188,879
	30,787,174
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 202021	30,787,174

The NGCDF- Funyula Constituency financial statements were approved on 5th August, 2021 and signed by:




Fund Account Manager

Name: Lihanda Winston



National Sub-County Accountant

Name: Paul Ojiambo
ICPAK M/No:



Chairman NG-CDF Committee

Name: Andrew Oduory

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements		30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,500,000	4,632,000		7,132,000	2,082,548	5,049,452	29
1.2 Committee allowances	3,317,332	248,000		3,565,332	658,000	2,907,332	18
1.3 Use of goods and services	1,248,000	2,002,062	500,000	3,750,062	2,142,950	1,607,112	57
Gratuity	800,000			800,000		800,000	-
N.H.I.F	120,000	120,000		240,000	73,800	166,200	31
N.S.S.F	240,000	240,000		480,000	226,320	253,680	47
Total				-	-	-	
2.0 Monitoring and evaluation				-	-	-	
2.1 Capacity building	1,000,000	(211,158)		788,842	1,500,000	(711,158)	190
2.2 Committee allowances	675,000	675,000		1,350,000	1,400,000	(50,000)	104
2.3 Use of goods and services	2,437,666	3,446,032		5,883,698	935,000	4,948,698	16
Total				-	-	-	
3.0 Emergency				-	-	-	
Emergency	7,192,207	8,096,428	101,813	15,390,448	7,500,000	7,890,448	49
3.5 Unutilised				-	-	-	
Total				-	-	-	
4.0 Bursary and Social Security				-	-	-	
Mock Examinations & Continuous Assessment Tests		3,600,000		3,600,000	3,600,000	-	100
4.1 Secondary Schools	34,478,703	13,085,042	23,243,661	70,807,406	21,523,416	49,283,990	30

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

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 (c = a-d)	% of Utilisation (f=d/c %)
	2020/2021		Previous years Outstanding Disbursements	2020/2021	30/06/2021		
4.2 Tertiary Institutions	7,252,404	8,000,000	80,000	15,332,404	21,830,835	(6,498,431)	142
Social Security Programme	3,600,000	2,500,000		6,100,000		6,100,000	-
4.4 Special Needs	150,000	1,774,064		1,924,064		1,924,064	-
Total							
5.0 Sports							
Sports Activities							
Total	2,741,777	3,702,718		6,444,495	5,444,495	1,000,000	84
6.0 Environment							
Father Martin Ryke Primary School	300,000			300,000	300,000	-	100
Millimani Primary School	300,000			300,000	300,000	-	100
Muramba Secondary School	300,000			300,000	300,000	-	100
Namuduru Girls Secondary School	300,000			300,000	300,000	-	100
Sijowa Secondary School	300,000			300,000	300,000	-	100
Sirekeresi Primary School	300,000			300,000	300,000	-	100
Environmental Activities		2,702,718		2,702,718	2,702,718	-	100
Total							
7.0 Primary Schools Projects							
Ageng'a Primary School			950,000	950,000	950,000	-	100
Baburi Primary School	950,000			950,000	950,000	-	100
Buduta Primary School	1,000,000			1,000,000	1,000,000	-	100
Bujwang'a Primary School	5,000,000		950,000	5,950,000	5,950,000	-	100
Bujwanga Primary School	5,000,000			5,000,000		5,000,000	-
Bukhwamba Primary School			950,000	950,000	950,000	-	100
Bumayenga Primary School	2,850,000		860,000	3,710,000	3,710,000	-	100

**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 %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
Bumbe Primary School	1,000,000			1,000,000	1,000,000	-	100
Bumulimba Primary School	1,000,000		950,000	1,950,000	950,000	1,000,000	49
BUNANDI PRI.					1,000,000	(1,000,000)	
Busibi Primary School			1,010,000	1,010,000	1,010,000	-	100
Father Martin Ryke Primary School	1,900,000		1,960,000	3,860,000	3,860,000	-	100
Ganjala Primary School			1,360,000	1,360,000	1,360,000	-	100
Kabwodo Primary School			860,000	860,000	860,000	-	100
Khwatakhumba Village			2,500,000	2,500,000		2,500,000	-
Luchulululo Primary School			2,000,000	2,000,000	2,000,000	-	100
Milimani Primary School	2,150,000			2,150,000	1,860,000	290,000	87
Moody Awori Primary School	3,000,000			3,000,000	3,500,000	(500,000)	117
Mudoma Primary School			1,960,000	1,960,000	1,960,000	-	100
Mugasa Primary School			760,000	760,000	760,000	-	100
Mundaya B Primary School			1,860,000	1,860,000		1,860,000	-
Munyanja Primary School			760,000	760,000	760,000	-	100
Muramba Mixed Day Secondary School			2,850,000	2,850,000		2,850,000	-
Nabalaki Primary School			760,000	760,000	760,000	-	100
Nabutuki Primary School	2,000,000			2,000,000	2,000,000	-	100
Nakhasiko Primary School			760,000	760,000	760,000	-	100
Namasali Primary School	1,900,000			1,900,000	1,900,000	-	100
Namboboto Boys Primary School	1,900,000		860,000	2,760,000	860,000	1,900,000	31
NAMBOBOTO G.PRI.					1,900,000	(1,900,000)	
Namboboto Girls Primary School				-		-	
NAMBUKU PRIM.					650,000	(650,000)	
Nambuku Primary School	1,800,000			1,800,000	1,800,000	-	100

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

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		
NAMUDURU PRIMARY					860,000	(860,000)	-
Namuduru Primary School			860,000	860,000		860,000	-
NAMUNYWEDA PRI.					650,000	(650,000)	-
NANDEREMA PRIMARY					860,000	(860,000)	-
Nanderema Primary School			860,000	860,000		860,000	-
NANGINA G. PRI.					1,108,241	(1,108,241)	-
NANGINA MIXED PRI					1,010,000	(1,010,000)	-
NANGINA MIXED PRI					410,000	(410,000)	-
Nangina Mixed Primary School	950,000		1,010,000	1,960,000	950,000	1,010,000	48
NANGINA SPECIAL					950,000	(950,000)	-
Nerobia Primary School			860,000	860,000	860,000	-	100
NUGANDA PRIMARY					1,650,000	(1,650,000)	-
Odiado Primary School	2,850,000		1,360,000	4,210,000	3,370,000	840,000	80
Rumbiye Primary School			2,000,000	2,000,000	2,000,000	-	100
Sagania Primary School			950,000	950,000	950,000	-	100
Sibale Primary School	1,000,000			1,000,000	1,000,000	-	100
Sibinga Primary School			860,000	860,000	860,000	-	100
Sichekhe Primary School			1,010,000	1,010,000	1,010,000	-	100
SIFUYO PRIMARY					650,000	(650,000)	-
Sigalame Primary School	1,900,000		1,010,000	2,910,000	3,920,000	(1,010,000)	135
Sigulu Primary School			860,000	860,000	860,000	-	100
Sijowa Primary School	1,000,000			1,000,000	1,000,000	-	100
Sirekeresi Primary School			1,960,000	1,960,000	1,960,000	-	100
SECONDARY SCHOOL						-	-
BUSIBI GIRLS SEC					1,000,000	(1,000,000)	-
EDUCATION OFFICE					1,500,000	(1,500,000)	-
EDUCATION OFFICE					500,000	(500,000)	-

*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 %)
EDUCATION OFFICE	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
Hakati Secondary School	3,000,000			3,000,000	1,080,000	(1,080,000)	-
MURAMBA SEC			-	-	4,000,000	(1,000,000)	133
MURAMBA SEC			-	-	1,900,000	(1,900,000)	-
Muramba Secondary School	2,900,000		-	2,900,000	1,650,000	(1,650,000)	-
Namboboto Boys Secondary School	1,000,000			1,000,000		2,900,000	-
NAMBOBOTO SEC.			-	-		1,000,000	-
NAMBOBOTO SEC.			-	-	7,452,250	(7,452,250)	-
NAMUDURU GIRLS			-	-	4,000,000	(4,000,000)	-
Namuduru Girls Secondary Sch	1,000,000		1,900,000	2,900,000	1,900,000	(1,900,000)	-
NANDEREMA GIRLS					3,000,000	(100,000)	103
NANDEREMA SEC					3,400,000	(3,400,000)	-
Nangina Special School			950,000	950,000	1,700,000	(1,700,000)	-
Nyakwaka Girls Secondary School			3,400,000	3,400,000	1,700,000	(1,700,000)	-
ODIADO SEC					1,958,250	(1,958,250)	50
SAMIA GIRLS					2,900,000	(2,900,000)	-
SIGALAME HIGH					600,000	(600,000)	-
Sijowa Secondary School	1,650,000		1,900,000	3,550,000	2,500,000	1,050,000	70
ST ANTHONY BUSIJO					100,000	(100,000)	-
ST MARKS BUKIRI					2,850,000	(2,850,000)	-
St. Antony Busijo Mixed Secondary School	4,000,000			4,000,000		4,000,000	-
St. Chrispin Samia Girls Secondary School	4,000,000			4,000,000		4,000,000	-
St. Lu Odiado Secondary School			1,500,000	1,500,000		1,500,000	-
St. Mark Bukiri Mixed Day Secondary School			1,000,000	1,000,000	700,000	300,000	70
St. Peters Busibi Girls Secondary School	1,500,000			1,500,000		1,500,000	-
St. Stephen Bujwang'a Mixed Day Secondary School			7,452,250	7,452,250		7,452,250	-

*Funyula 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 %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
Sub County Education Office Equipment		500,000		500,000		500,000	-
Total				-		-	-
9.0 Tertiary institutions Projects				-		-	-
Bumbe Technical Training Institute (St. Marianna Campus)	2,500,000			2,500,000		2,500,000	-
Total				-		-	-
10.0 Security Projects				-		-	-
Agenga Location Chief's Office			950,000	950,000	950,000	-	100
Bujwang'a Sub-Location Assistant Chief's Office			900,000	900,000		900,000	-
BUKIRI POLICE			1,527,770		1,527,770	(1,527,770)	-
Butemula Village		3,711,158		3,711,158		3,711,158	-
BWANGANGI ASS. CHIEF OFFICE					900,000	(900,000)	-
FUNYULA POLICE STATION					1,000,000	(1,000,000)	-
Ganga Police Post	3,300,000	1,300,000		4,600,000	4,600,000	-	100
NAMBOBOTO CHIEF OFFICE					1,430,000	(1,430,000)	-
Namuduru Police Patrol Base			1,550,000	1,550,000	1,550,000	-	100
NANGOSIA CHIEFS OFFICE			1,550,000	-	1,550,000	(1,550,000)	-
ODIADO CHIEFS CAMP			380,000	-	380,000	(380,000)	-
Sibiriri B Village	2,500,000			2,500,000		2,500,000	-
Others				-		-	-
NG CDF Office	955,790			955,790	955,790	-	100
Total				-		-	-
13.0 unallocated fund						-	-
Unapproved projects				-		-	-
Total	137,008,879	60,124,064	87,405,494	281,080,667	206,562,384	77,976,054	73

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- Funyula 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 NG CDF Funyula 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 2021.

14. Errors

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

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

15. Related Party Transactions

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
B096920	1.	14,000,000	
B104916	2.	3,457,770	
B104937	3.	66,867,724	
B124764	4.	1,000,000	
B124931	5.	8,500,000	
B119786	6.	12,000,000	
B128076	7.	6,900,000	
B128386	8.	11,000,000	
B132131	9.	6,000,000	
B126094	10.	9,000,000	
B138799	11.	12,000,000	
B105137	12.	2,500,000	
B126384	13.	11,000,000	
B	14.	13,000,000	
B042732	1.		13,000,000
B047404	2.		4,000,000
B049210	3.		55,040,875
B104279	4.		30,000,000
B0496558	5.		20,000,000
			13,000,000
TOTAL		177,225,494	92,326,712

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 RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,156,348	2,261,241
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	1,116,661
Employer Contributions Compulsory national social security schemes	226,320	227,133
Total	2,382,668	3,605,035

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	935,000	23,980
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,500,000	1,211,158
Hospitality supplies and services	-	-
Other committee expenses	1,400,000	1,441,600
Committee allowance	2,128,500	2,386,100
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Bank service commission and charges	14,450	-
Other operating expenses	658,000	313,300
Routine maintenance – vehicles and other transport equipment	-	420,437
Routine maintenance – other assets	-	-
Total	6,635,950	5,796,575

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	71,908,241	24,850,000
Transfers to secondary schools (see attached list)	46,390,500	23,012,250
Transfers to tertiary institutions (see attached list)		2,000,000
TOTAL	118,298,742	49,862,250

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,523,416	3,846,060
Bursary – tertiary institutions (see attached list)	21,830,835	5,140,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	3,600,000	-
Security projects (see attached list)	13,887,770	-
Sports projects (see attached list)	5,444,495	480,817
Environment projects (see attached list)	4,502,718	-
Emergency projects (see attached list)	7,500,000	1,300,000
Total	78,289,234	10,766,877

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	955,790	-
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	955,790	-

9. OTHER PAYMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>EQUITY BANK, BUSIA BRANCH – 0780292650348 - Kes</i>	30,787,174	60,124,064
Total	30,787,174	60,124,064
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

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>Total</i>				-

12A. RETENTION

	2020-2021	2019-2020
	<i>KShs</i>	<i>KShs</i>
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
	<i>KShs</i>	<i>KShs</i>
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)
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	60,124,064	8,113,925
Cash in hand	-	-
Imprest	-	-
<i>Total</i>	60,124,064	8,113,925

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

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

15. CHANGES IN ACCOUNTS RECEIVABLE – 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	-	-

CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	6,269,332	4,992,000
Use of goods and services	8,701,984	6,159,936
Amounts due to other Government entities (see attached list)	17,618,860	22,862,099
Amounts due to other grants and other transfers (see attached list)	45,385,877	109,477,753
Acquisition of assets	-	-
Others (<i>specify</i>)	-	-
Funds pending approval	-	-
	77,976,054	143,491,788

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)	87,103,004	38,309,111
	87,103,004	38,309,111

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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

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

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		6,269,332	4,992,000	Yet to receive from the NG CDF Board
Use of goods & services		8,701,984	6,159,936	Yet to receive from the NG CDF Board
Amounts due to other Government entities		17,618,860	22,862,099	
Odiado Primary School	Construction of 1 classroom	480,000		
Bumbe Technical Training Institute (St. Marianna Campus)	Renovation of tuition block	2,500,000		NG CDFC yet to disburse
St. Mark Bukiri Mixed Day Secondary School	Construction of dormitory	488,860		NG CDFC yet to disburse
Milimani Primary School	Construction of 2 classrooms	2,150,000		NG CDFC yet to disburse
Sirekeresi Primary School	Construction of 2 classroom	1,500,000		NG CDFC yet to disburse
Sigulu Primary School	Drilling of borehole	1,300,000		NG CDFC to reallocate
Namuduru Primary School	Drilling of borehole	300,000		NG CDFC to reallocate
Muramba Secondary School	Construction of 3 classrooms	2,900,000		NG CDFC yet to disburse
Busijo Mixed Secondary School	Construction of laboratory	4,000,000		NG CDFC yet to disburse
Nabutuki Primary School	Renovation of 6 classrooms	2,000,000		NG CDFC yet to disburse
Sub-Total				
Amounts due to other grants and other transfers		45,385,877		Yet to receive from the NG CDF Board
Education Bursary	Education Bursary	45,385,877		

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

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Acquisition of assets	Sub-Total			
Others (<i>specify</i>)				
Funds pending approval	Sub-Total			
	Grand Total	77,976,054	143,491,788	

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land				
Buildings and structures	17,240,068			17,240,068
Transport equipment	3,833,200			3,833,200
Office equipment, furniture and fittings	967,350	955,790		1,563,440
ICT Equipment, Software and Other ICT Assets	607,650			607,650
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	22,648,268	955,790		23,244,358

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
NAMASALI PRIMARY SCHOOL	EQUITY BANK LTD	0780281017148	1,900,000	
ST CATHERINE NANGINA BOARDING PRIMARY SCHOOL	EQUITY BANK LTD	0780281017166	1,108,241	
SIBALE PRIMARY SCHOOL	EQUITY BANK LTD	0780281017150	1,000,000	
NABUTUKI PRIMARY SCHOOL	EQUITY BANK LTD	0780281017157	2,000,000	
BUMBE PRIMARY SCHOOL	EQUITY BANK LTD	0780281017161	1,000,000	
HAKATI SECONDARY SCHOOL	EQUITY BANK LTD	0780281017163	3,000,000	
BUBURI PRIMARY SCHOOL	EQUITY BANK LTD	0780281017149	950,000	
NAMBUKU PRIMARY SCHOOL	EQUITY BANK LTD	0780281017167	1,800,000	
ST KIZITO MURAMBA SECONDARY SCHOOL	EQUITY BANK LTD	0780281017147	2,900,000	
NAMUDURU GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780281009407	1,000,000	
BUJWANG'A PRIMARY SCHOOL	EQUITY BANK LTD	0780281002966	5,000,000	
RUMBIYE PRIMARY SCHOOL	EQUITY BANK LTD	0780281002930	2,000,000	
SIFUYO PRIMARY SCHOOL	EQUITY BANK LTD	0780281008347	650,000	
NABUGANDA PRIMARY SCHOOL	EQUITY BANK LTD	0780281017159	1,650,000	
MOODY AWORI PRIMARY SCHOOL	EQUITY BANK LTD	0780281017153	3,500,000	
LUCHULULO PRIMARY SCHOOL	EQUITY BANK LTD	0780281002780	2,000,000	
NAMUNYWEDA PRIMARY SCHOOL	EQUITY BANK LTD	0780281002756	650,000	
SIGALAME PRIMARY SCHOOL	EQUITY BANK LTD	0780281002651	1,900,000	
BUMAYENGA PRIMARY SCHOOL	EQUITY BANK LTD	0780281001702	2,850,000	
NAMBOBOTO BOYS SECONDARY SCHOOL	EQUITY BANK LTD	0780281001689	1,000,000	
SIJOWA PRIMARY SCHOOL	EQUITY BANK LTD	0780281001665	1,000,000	
SIJOWA SECONDARY SCHOOL	EQUITY BANK LTD	0780281001635	1,650,000	
ST CHRISPIN SAMIA GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780281001538	4,000,000	
NAMBOBOTO GIRLS PRIMARY SCHOOL	EQUITY BANK LTD	0780280999022	1,900,000	
FUNYULA ENVIRONMENTAL ACTIVITIES PMC A/C	EQUITY BANK LTD	0780279957857	3,101,093	

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
FUNYULA SPORTS ACTIVITIES PMC A/C	EQUITY BANK LTD	0780279963726	2,794,430	
MILIMANI PRIMARY SCHOOL	EQUITY BANK LTD	0780280406114	2,239,329	
ST PETER'S BUSIBI GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780277838800	50,815	
GANGA POLICE POST	EQUITY BANK LTD	0780280195369	1,299,488	
NAMBUKU PRIMARY SCHOOL	EQUITY BANK LTD	0780279710072	91,969	
ODIADO PRIMARY SCHOOL	EQUITY BANK LTD	0780279957360	1,433,228	
FATHER MARTIN RYKE GANGA PRIMARY SCHOOL	EQUITY BANK LTD	0780281138037	1,900,000	
ST ANTONY BUSIJO MIXED SECONDARY SCHOOL	EQUITY BANK LTD	0780281034636	4,000,000	
BUDUTA PRIMARY SCHOOL	EQUITY BANK LTD	0780281051421	1,000,000	
NANGINA MIXED PRIMARY SCHOOL	EQUITY BANK LTD	0780279957793	950,000	
BUNANDI PRIMARY SCHOOL	EQUITY BANK LTD	0780281138165	1,000,000	
SIGULU PRIMARY SCHOOL	EQUITY BANK LTD	0780279957360	161,247	
NEROBIA PRIMARY SCHOOL	EQUITY BANK LTD	0780279957368	51,864	
AGENG'A LOCATION CHIEF'S OFFICE	EQUITY BANK LTD	0780279957380	948,975	
AGENGA PRIMARY SCHOOL	EQUITY BANK LTD	0780279957470	72,286	
ST LUKE ODIADO SECONDARY SCHOOL	EQUITY BANK LTD	0780279957528	106,487	
SUB COUNTY OFFICE EQUIPMENT	EQUITY BANK LTD	0780279957541	23,855	
NYAKWAKA GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780279958234	220,381	
FUNYULA POLICE STATION	EQUITY BANK LTD	0780279958247	448,225	
MUGASA PRIMARY SCHOOL	EQUITY BANK LTD	0780279958692	59,367	
BUMAYENGA PRIMARY SCHOOL	EQUITY BANK LTD	0780279958948	51,070	
KABWODO PRIMARY SCHOOL	EQUITY BANK LTD	0780279960841	50,983	
MUDOMA PRIMARY SCHOOL	EQUITY BANK LTD	0780279961174	174,430	
NAMUDURU PRIMARY SCHOOL	EQUITY BANK LTD	0780279961359	88,647	
BUMULIMBA PRIMARY SCHOOL	EQUITY BANK LTD	0780279961585	37,631	
BUJWANG'A PRIMARY SCHOOL	EQUITY BANK LTD	0780279962040	55,927	
NANGINA SPECIAL SCHOOL	EQUITY BANK LTD	0780279963180	57,663	

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
FATHER MARTIN RYKE PRIMARY SCHOOL	EQUITY BANK LTD	0780279963235	111,947	
SIJOWA SECONDARY SCHOOL	EQUITY BANK LTD	0780279963726	110,814	
FUNYULA SPORTS ACTIVITIES PROJECT	EQUITY BANK LTD	0780279710086	2,794,430	
SIGALAME HIGH SCHOOL	EQUITY BANK LTD	0780279699771	156,745	
ST THOMAS AQUINAS NANDEREMA SECONDARY SCHOOL	EQUITY BANK LTD	0780277838748	163,164	
NAMBOBOTO BOYS SECONDARY SCHOOL	EQUITY BANK LTD	0780279707927	425,693	
ST CLARES NANDEREMA GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780280088914	169,185	
GANJALA PRIMARY SCHOOL	EQUITY BANK LTD	0780280057133	1,360,000	
ST STEPHENS BUJWANGA MIXED SECONDARY SCHOOL	EQUITY BANK LTD	0780277838110	7,452,250	
BUJWANGA ASSISTANT CHIEF'S OFFICE	EQUITY BANK LTD	0780280083465	462,895	
NAMUDURU GIRLS SECONDARY SCHOOL	EQUITY BANK LTD	0780280195395	155,787	
NAMUDURU POLICE PATROL BASE	EQUITY BANK LTD	0780280195369	1,549,488	
MURAMBA MIXED DAY SECONDARY SCHOOL	EQUITY BANK LTD	0780279961054	231,360	
NAMBOBOTO BOYS PRIMARY SCHOOL	EQUITY BANK LTD	0780279957793	858,975	
NANGINA MIXED PRIMARY SCHOOL	EQUITY BANK LTD	0780279957360	512,365	
MUNYANJA PRIMARY SCHOOL	EQUITY BANK LTD	0780279960841	44,571	
SIGALAME PRIMARY SCHOOL	EQUITY BANK LTD	0780279957425	1,143,580	
NANDEREMA PRIMARY SCHOOL	EQUITY BANK LTD	0780279957503	50,079	
BUKHWAMBA PRIMARY SCHOOL	EQUITY BANK LTD	0780279957750	69,434	
SIBINGA PRIMARY SCHOOL	EQUITY BANK LTD	0780279958760	222,681	
NAKHASIKO PRIMARY SCHOOL	EQUITY BANK LTD	0780279957442	43,805	
NABALAKI PRIMARY SCHOOL	EQUITY BANK LTD	0780279957626	136,131	
Total			87,103,004	

VIII. 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	Focal Point person to resolve the issue	Status:	Timeframe:
1	<p>Budget Performance</p> <p>During the year under review, the Fund spent Kshs.93,052,731 against a budgeted amount of Kshs.117,880,820, resulting in an under-absorption of Kshs.24,828,089 representing 21%</p> <p>In addition, the National Assembly approved an allocation of Kshs.109,040,876 to the Fund for appropriation in the year under review. However, the statement of receipts and payments indicated that the National Government Constituency Development Fund Board only disbursed Kshs.92,326,713 to the Fund, resulting in an underfunding of receipts by Kshs.16,714,163.</p> <p>Consequently, the Fund failed to implement projects and programmes amounting to Kshs.24,828,089 thus denying the constituents the services they that would have been derived from the projects.</p>	<p>Delayed disbursement of funds from the NG CDF Board resulted to the 16 % under absorption. However, the funds have since been received and projects implemented.</p>	Winston Lihanda - FAM	Submitted for review	December, 2021
2	<p>Delayed Completion in Construction of Chief's Camp Offices</p> <p>Included in the balance of other grants and payments of Kshs.35,929,209 under Note 5 is security expenditures</p>	The projects have since been completed.	Winston Lihanda - FAM	Submitted for review	December, 2021

*Funyula 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	Focal Point person to resolve the issue	Status:	Timeframe:
	of Kshs.2,000,000. However, physical verification revealed that the works on construction of two chief's camp at Bujwanga Assistant Chief's Office and Odiado Chief's Office each at a contract sum of Kshs.800,000 remained incomplete. Hence, it was not possible to ascertain whether value for money was achieved from the expenditure of Kshs.1,600,000 on the projects.				

NB: At the time of preparation and submission of 2020-21 Financial Statement, Funyula NG CDF was yet to receive the audit certificate for the previous financial year.

