

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

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

THE AUDITOR-GENERAL

ON

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

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

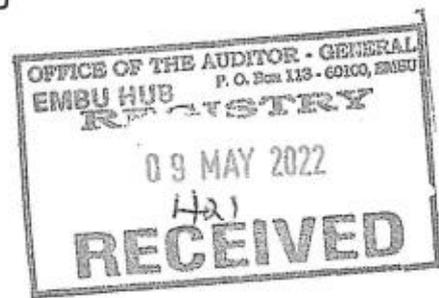


THARAKA CONSTITUENCY

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)

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

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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 Tharaka 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	Alex Muinde Charles
2.	Sub-County Accountant	Augustus Mulwa
3.	Chairman NGCDFC	Kennedy Kamunyu
4.	Member NGCDFC	Veronica Kajira

(d) Fiduciary Oversight Arrangements

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

P.O. Box 33
Tharaka constituency office
Nairobi, KENYA

(f) Tharaka Constituency NGCDF Contacts

Telephone: (254) 0711181096
E-mail: cdftharaka@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Tharaka Constituency NGCDF Bankers

Cooperative Bank
Chuka branch
A/c Number 01120058205800

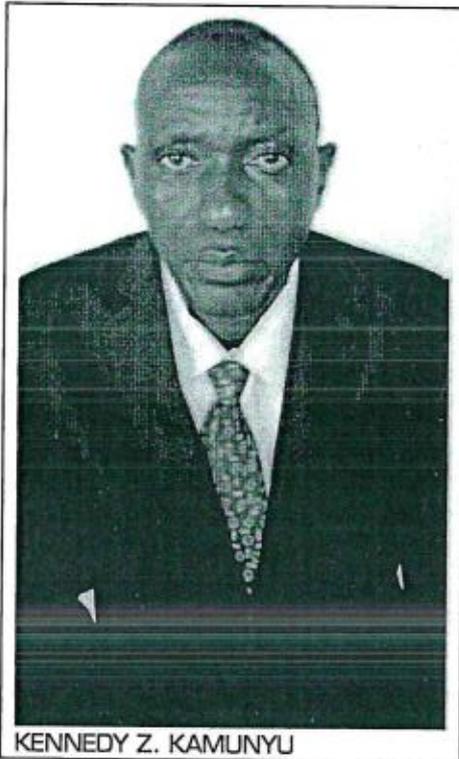
(h) Independent Auditors

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

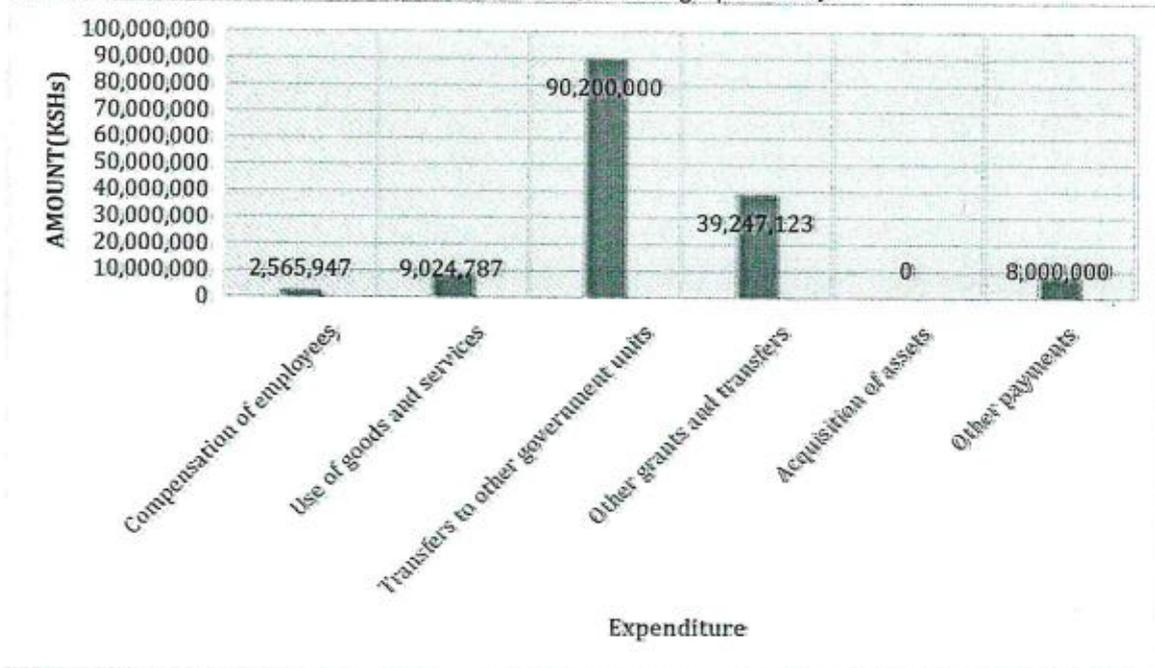
(i) Principal Legal Adviser

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

II. NG-CDF CHAIRMAN'S REPORT



I am pleased to present the financial report for the financial year 2020/2021 which has just ended. The fiscal year was basically challenged due to emergence of Covid-19 which impacted on budgetary performance. However, despite the fact that revenue from the National Government was not received fully, Tharaka NG-CDF managed to apportion funds nearly in all sectors. (See the graph below).



Financing of infrastructure in education sector received the highest allocation since the entity aims to improve the quality of education standards in the constituency. This is an investment which is projected to yield enormous amount of dividends in future in terms of reducing the illiteracy levels in the constituency.

Additionally, we have embarked on bursary awards to needy students by providing adequate bursary awards to needy students within the society.

On matters pertaining to security, we have managed to put security projects so as to boost areas prone to insecurity especially near the borders. The peaceful and conducive environment is attributable to the investments which we have made on security matters.

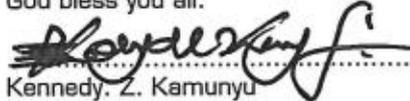
On sports we have also embarked on field levelling so as to nurture talents within the constituency.

Tharaka NG CDF is committed to improve infrastructure in the subsequent financial year since NG-CDF is a going concern.

We would like to urge the National Treasury to be releasing funds on timely manner so as to achieve our ultimate goals as stipulated in vision 2030.

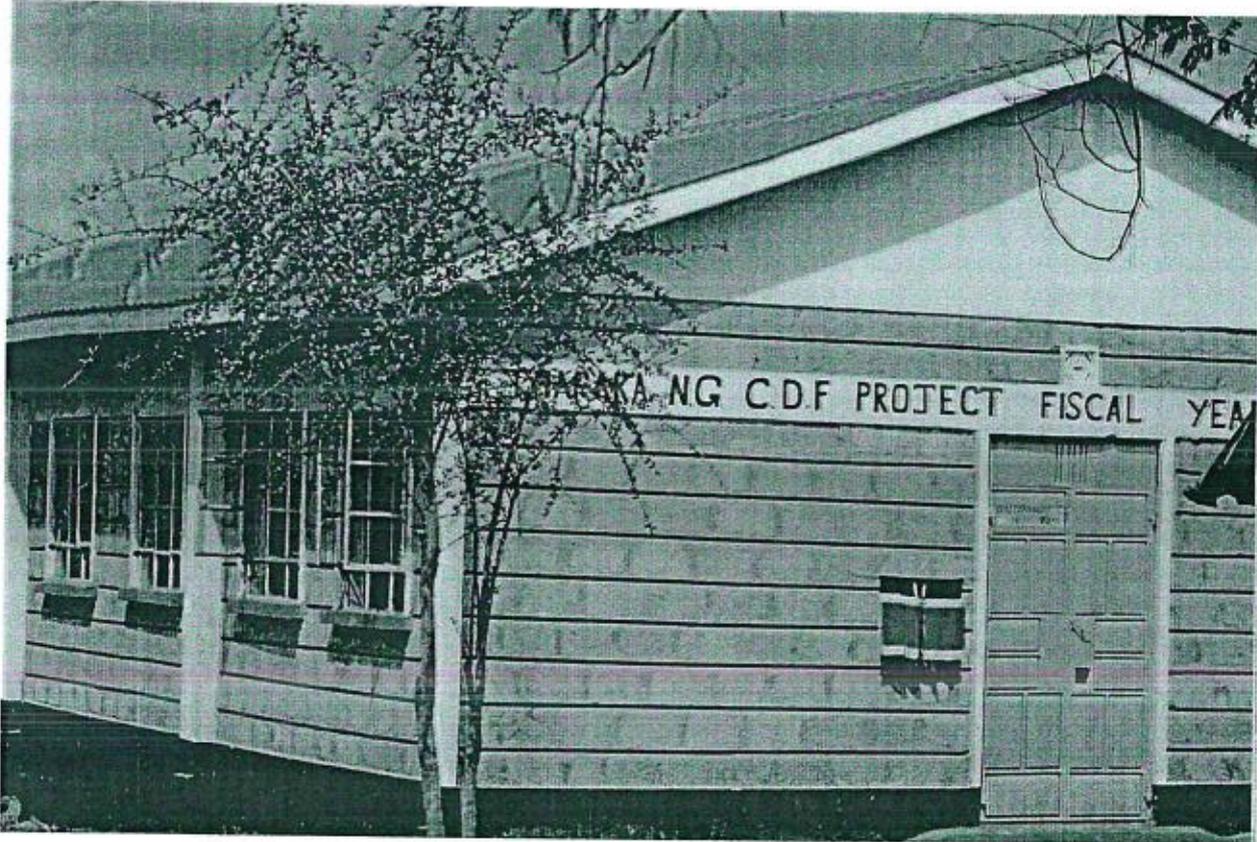
Lastly, let me take this opportunity to thank all stakeholders who are instrumental in management of NG-CDF affairs such as the project management committees, NG-CDF committee, NG- CDF staff, oversight authorities among others for their collective effort in pushing for the attainment of the aforementioned objectives.

God bless you all.

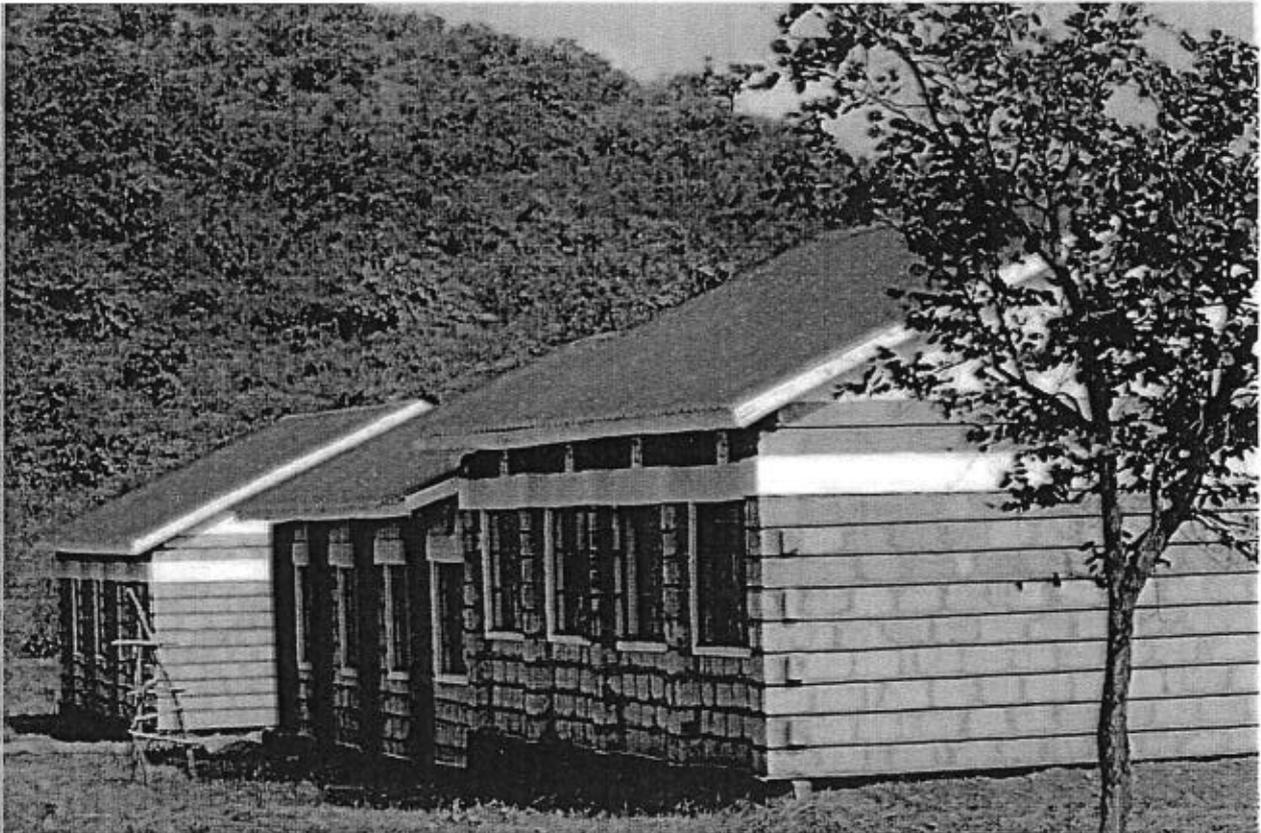


Kennedy. Z. Kamunyu
Tharaka NG-CDF Chairman.

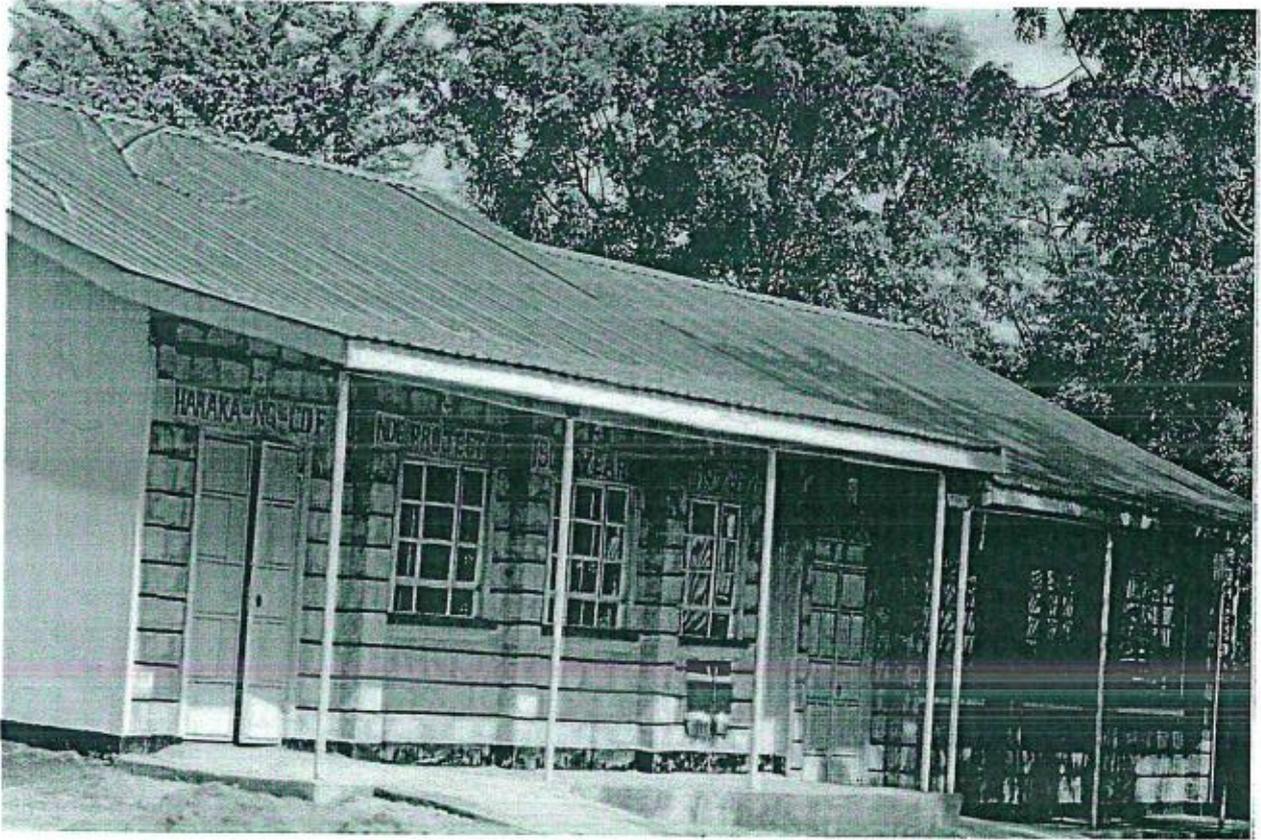
NJUKINI PRIMARY SCHOOL DORMITORY



RIAMWANKI PRIMARY SCHOOL CLASSROOM



NTUUJIA PRIMARY SCHOOL CLASSROOM



GAKAUNI SECONDARY SCHOOL 2NO. CLASSROOMS



III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of *Tharaka Constituency 2018-2022* plan are to:

No	Strategic Theme	Strategic Objective	Strategies
1	Access to quality education	To improve access to quality education	Expansion of schools through rehabilitation/ renovation/construction of classrooms in various primary and secondary schools in the constituency
			Construction and equipping laboratories in secondary schools in the constituency
			Completion of day secondary schools
			Construction of permanent classrooms for mud-walled primary schools
			Construction of computer labs/classes (both levels)
			Construction of multipurpose halls in all schools
			Construction of libraries in secondary schools
			Construction of dormitories in secondary schools and selected primary schools
			Construction of toilet blocks in both primary and secondary schools
			Leveling of playing fields in both primary and secondary schools
			Provision of water tanks in schools
Provision of bursary to needy and bright secondary school/tertiary institutions' students			
2	Youth and Sports	To harness youth talent and empower them	Conducting campaigns on drugs and substance abuse and on HIV and AIDS
			Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds
			Funding of youth sporting initiatives (e.g. Marathon activities)
3	Emergency Support	To cater for any unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency
4	Environment	To promote environmental sustainability in the constituency	Supporting schools and public institution to acquire tree seedlings
			Organizing tree planting days in schools
5	Security	To enhance security in the constituency	Construction of ACCs and DCCs offices and residential houses
			Construction/Renovation of offices for chiefs and Ass. Chiefs
			Awareness creation on community policing and sensitization of community members on security

No	Strategic Theme	Strategic Objective	Strategies
			matters
			Construction/rehabilitation of Police Stations/Administration Offices
			Construction/rehabilitation of police houses and AP Camps
			Fencing administration offices, AP camps and police stations
6	Tracking of results	To improve tracking of implementation CDF programmes	Monitoring and Capacity Building of NGCDF's and PMC's
			Organizing regular projects monitoring field visits
			Synthesis of PMC reports into quarterly PIS
7	Institutional Strengthening	To promote performance management and smooth running of the CDF office	Preparation of Constituency Strategic Plan
			Staff training
			Purchase of working tools and equipment

Progress on attainment of strategic objectives

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 2020/2021 -we increased number of classrooms, dormitories, laboratories etc from 30 to 40 in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To enhance security in the constituency.	Reduced incidences of cattle rustling in the constituency. Reduced crime rate on the constituency.	Number of usable security infrastructure in the constituency	Increased number of police posts as well as administrative offices by 7 in the following entities as per the attached list
Environment	To promote environmental sustainability in the constituency	Improved forest cover in the constituency Protection of water catchment areas	Number of tree seedlings grown in the constituency and protection of water catchment areas	To be implemented once funds are released from State department of planning
Sports	To harness youth talent and empower them	Improved sports amenities in the constituency	Number of sports amenities implemented	Increased the number of sports amenities by levelling of playing ground at Ruungu primary school
Emergency	To cater for any unforeseen occurrences in the constituency	Improved efficiency in addressing disasters in the constituency	Number of emergency cases addressed in the constituency through the emergency vote head	Addressed disaster issues in the following entities as per the attached entities

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Tharaka 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 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Through the environmental allocation we have managed to safeguard water resources by fencing of two earth dams within the fiscal year.

3. Employee welfare

We invest in providing the best working environment for our employees. 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. Tharaka 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. Tharaka constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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-

Tharaka 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-

Tharaka 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 meeting Tharaka 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.

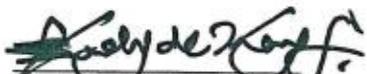
The Accounting Officer in charge of the NGCDF-Tharaka Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021.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

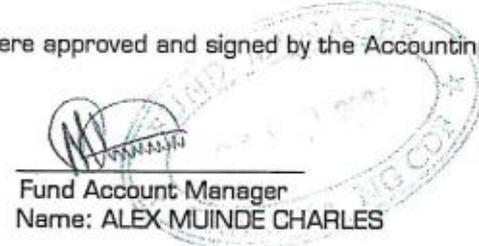
The Accounting Officer in charge of the NGCDF Tharaka Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- Tharaka Constituency financial statements were approved and signed by the Accounting Officer on 1st September 2021.


Chairman NGCDF Committee
Name: KENNEDY Z. KAMUNYU


Fund Account Manager
Name: ALEX MUINDE CHARLES



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - THARAKA 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 - Tharaka Constituency set out on pages 1 to 44, 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 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 National Government Constituencies Development Fund - Tharaka Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Lack of Ownership Documents

As disclosed in Annex 4 to the financial statements the summary of fixed asset register reflects a balance of Kshs.14,378,068. However, review of documents provided revealed that the Fund offices sits on an un-surveyed land of unknown value whose ownership documents were not provided and were not disclosed in the financial statements. In addition, the buildings had not been valued to reflect the current value.

In the circumstances, the accuracy, ownership, existence, completeness and security of the assets balance of Kshs.14,378,068 reflected in the summary of fixed asset register could not be confirmed.

2. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A to the financial statements reflects Kshs.16,920,878 in respect to cash and cash equivalents as at 30 June, 2021. However, the bank reconciliation statement reflects an amount of Kshs.7,333,034 in respect to un-presented cheques as at 30 June, 2021, which includes stale cheques totalling Kshs.317,406 that had not been reversed to the cashbook or replaced.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.16,920,878 could not be confirmed.

3. Unsupported Transfers to Other Government Entities

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects Kshs.90,200,000 in respect of transfers to other Government entities, which includes Kshs.14,200,000 transferred to KMTC - Marimanti for construction of infrastructures on a 10 acres parcel of land. However, the title deed for the land on which the project was built was not provided to confirm that the land was indeed owned by the community or Government.

In the circumstances, the completeness of Kshs.14,200,000 transferred to KMTC could not be confirmed.

4. Unsupported Use of Goods and Services

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an amount of Kshs.9,024,788 for use of goods and services, which includes an amount of Kshs.1,086,254 for training expenses which in turn includes an amount of Kshs.771,454 whose supporting documents including payment vouchers, invoices, invitation letters and back to office reports were not provided for review.

In the circumstances, the accuracy and propriety of the expenditure of Kshs.771,454 on training could not be confirmed.

5. Unutilized Funds

Note 17.3 to the financial statements reflects an amount of Kshs.65,388,734 in respect to unutilized funds comparative balance. However, the summary statement of appropriation reflects adjustments for the year totaling Kshs.73,958,734 comprising of Kshs.4,591,010 and Kshs.69,367,724 for opening cash balance and previous year outstanding disbursement respectively resulting to an unexplained and an unreconciled variance of Kshs.8,570,000.

In the circumstances, the accuracy of the summary statement of appropriation and unutilized funds balances 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 - Tharaka 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 statement of comparative budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.211,047,611 and Kshs.165,958,734 respectively resulting to an underfunding of Kshs.45,088,877 or 21% of the budget. Similarly, the Fund expended Kshs.149,037,857 against an approved budget of Kshs.211,047,611 resulting to an under expenditure of Kshs.62,009,754 or 29% 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 control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing Fund's ability to sustain 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 entity 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 controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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

05 September, 2022

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

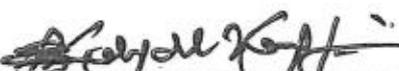
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	124,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	5,000,000
TOTAL RECEIPTS		161,367,724	129,040,876
PAYMENTS			
Compensation of employees	4	2,565,947	2,519,560
Use of goods and services	5	9,024,787	11,567,608
Transfers to Other Government Units	6	90,200,000	63,338,706
Other grants and transfers	7	39,247,123	47,884,714
Acquisition of Assets	8	-	175,500
Other Payments	9	8,000,000	-
TOTAL PAYMENTS		149,037,857	125,486,088
SURPLUS/(DEFICIT)		12,329,867	3,554,788

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Tharaka Constituency financial statements were approved on 1st September 2021 and signed by:


Fund Account Manager
Name: ALEX MUINDE CHARLES


National Sub-County Accountant
Name: AUGUSTUS MULWA
ICPAK M/No: 20453


Chairman NG-CDF Committee
Name: KENNEDY KAMUNYU

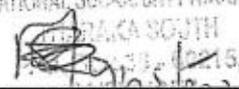
VIII. STATEMENT OF ASSETS AND LIABILITIES

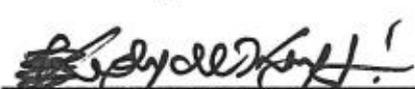
	Note	2020-2021	2019-2020
			Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	16,920,878	4,591,010
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		16,920,878	4,591,010
Accounts Receivable			-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		16,920,878	4,591,010
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			-
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES			
NET FINANCIAL ASSETS		<u>16,920,878</u>	<u>4,591,010</u>
REPRESENTED BY			
Fund balance b/fwd	13	4,591,011	1,036,222
Prior year adjustments	14	-	-
Surplus/Deficit for the year		12,329,867	3,554,788
NET FINANCIAL POSITION		16,920,878	<u>4,591,010</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Tharaka Constituency financial statements were approved on 1st September 2021 and signed by:


Fund Account Manager
Name: ALEX MUINDE




National Sub-County Accountant
Name: AUGUSTUS MULWA
ICPAK M/No: 20453


Chairman NG-CDF Committee
Name: KENNEDY KAMUNYU

IX STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	124,040,876
Other Receipts	3	-	5,000,000
Total receipts		161,367,724	129,040,876
Payments for operating activities			
Compensation of Employees	4	2,565,947	2519,560
Use of goods and services	5	9,024,787	11,567,608
Transfers to Other Government Units	6	90,200,000	63,338,706
Other grants and transfers	7	39,247,123	47,884,714
Other Payments	9	8,000,000	-
Total payments		149,037,857	125,310,588
Total Receipts Less Total Payments		12,329,867	3,730,288
Adjusted for:		-	-
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		12,329,867	3,730,288
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(175,500)
Net cash flows from Investing Activities		-	3,554,788
NET INCREASE IN CASH AND CASH EQUIVALENT		12,329,867	3,554,788
Cash and cash equivalent at BEGINNING of the year	10	4,591,011	1,036,222
Cash and cash equivalent at END of the year		16,920,878	<u>4,591,010</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Tharaka Constituency financial statements were approved on 1st September 2021 and signed by:

Fund Account Manager
Name: ALEX MUINDE

National Sub-County Accountant

Name: AUGUSTUS MULWA
ICPAK M/No: 20453

Chairman NG-CDF Committee

Name: KENNEDY KAMUNYU

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

X :SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	A	B		c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,877	4,591,010	69,367,724	211,047,611	165,958,734	45,088,877	79
Proceeds from Sale of Assets	0	0	0	0	0	0	0
Other Receipts	0	0	0	0	0	0	0
TOTALS	137,088,877	4,591,010	69,367,724	211,047,611	165,958,734	45,088,877	79
PAYMENTS							
Compensation of Employees	2,542,453	0	226,343	2,768,796	2,565,947	202,849	93
Use of goods and services	9,795,546	504,145	0	10,299,691	9,024,787	1,274,904	88
Transfers to Other Government Units	86,716,681	0	48,850,486	135,567,167	90,200,000	45,367,167	67
Other grants and transfers	30,034,197	4,086,365	12,720,895	46,841,457	39,247,123	7,594,334	84
Acquisition of Assets	0	500	7,570,000	7,570,500	0	7,570,500	0
Other Payments	8,000,000	0	0	8,000,000	8,000,000	0	100
Funds pending approval**	0	0	0	0	0	0	0
TOTALS	137,088,877	4,591,010	69,367,724	211,047,611	149,037,857	62,009,754	

Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	62,009,754
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,877
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	16,920,877

The NGCDF-Tharaka Constituency financial statements were approved on 1st September 2021 and signed by:



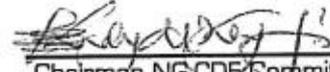
Fund Account Manager
Name: ALEX MUINDE

THE NATIONAL SUB-COUNTY ACCOUNTANT
THARAKA SOUTH
P. O. BOX 30
MARIYANTI



National Sub-County Accountant

Name: AUGUSTUS MULWA
ICPAK M/No: 20453



Chairman NG-CDF Committee

Name: KENNEDY KAMUNYU

Tharaka 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	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	2020/2021			2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,542,453	0.00	226,342.00	2,768,794.00	2,565,947	202,847
1.2 Committee allowances	2,333,075	174,145	0	2,507,220	2,462,149	45,071
1.3 Use of goods and services	3,349,805	0	0	3,349,805	3,349,805	
2.0 Monitoring and evaluation						
2.1 Capacity building	1,274,902	130,000	0	1,404,902.00	1,086,254	318,648.00
2.2 Committee allowances	1,283,268	100,000	0	1,383,268.00	784,805	598,463
2.3 Use of goods and services	1,554,495	100,000	0	1,654,495	1,341,774	312,721
3.0 Emergency						
3.1 Primary Schools	7,192,207		3,123,984	10,316,191	7,480,000	2,836,191
3.2 Secondary schools						
3.3 Tertiary institutions						

3.4 Security projects						
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	8,000,000	2,086,365	2,824,670	12,911,035	12,152,391	758,6
4.3 Tertiary Institutions	4,200,000	2,000,000	875,374	7,075,374	5,577,600	1,497,7
4.4 Special schools	1,475,117	0	0	1,475,117	1,148,000	327,1
4.5 Social Security			0			
5.0 Sports						
5.1 RUUNGU PRIMARY SCHOOL	2,741,778		0	2,741,778	0	2,741,778
5.2						
5.3						
6.0 Environment						
6.1 KIUMBE PRIMARY EARTH DAM FENCING	2,741,778	0.00	0.00	2,741,7778	2,741,7778	
IRUNDUNI NTUGI EARTH DAM	0	0	2747354	2,747,354	2,747,354	
6.3						
7.0 Primary Schools Projects						
7.1 KIORU PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
7.2 UCWENI PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
7.3 KABUABUA PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000

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

7.4 KARAMBANI PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000.0
7.5 KAMACHABI PRIMARY SCHOOL	3,000,000	0	0	3,000,000	3,000,000.	
7.6 IRIANI PRIMARY SCHOOL	1,200,000	0	0	1,200,000	1,200,000	0.0
7.7 GAKUURU PRIMARY SCHOOL	1,500,000.	0	0	1,500,000	1,500,000.	
7.8 MWANYANI PRIMARY SCHOOL	1,000,000.	0	0	1,000,000	0	1,000,000
7.9 IRIMBA PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000.0
8.0 NDURUMONI PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
8.1 KAMANYAKI PRIMARY SCHOOL	2,000,000	0	0	2,000,000	2,000,000.0 0	
8.2 NYAKINJERU PRIMARY SCHOOL	1,000,000	0	0	1,000,000	0	1,000,000
8.3 KITHAGA PRIMARY SCHOOL	1,800,000	0	0	1,800,000	1,800,000.	
8.4 MATERI BOARDING PRIMARY SCHOOL	7,200,000	0	0	7,200,000	0	7,200,000
8.5 KARUGUYUNI PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
8.6 MUTARANGA PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000.0

8.7 NDARUNI PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
8.8 KIERERA PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
8.9 KAMWATHU PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
9.0 KATHANGACHINI PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
9.1 GACEUNI PRIMARY SCHOOL	900,000.	0	0	900,000	0	900,000
9.2 IRUMA PRIMARY SCHOOL	1,000,000	0	0	1,000,000	0	1,000,000
9.3 GACIONGO PRIMARY SCHOOL	2,000,000	0	0	2,000,000	0	2,000,000
9.4 KIUMBE PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
9.5 MARAGWA PRIMARY SCHOOL	2,000,000.	0	0	2,000,000	2,000,000.	
9.6 GACERENI PRIMARY SCHOOL	1,000,000.	0	0	1,000,000	0	1,000,000
9.7 KAMARENJE PRIMARY SCHOOL	3,000,000.	0	0	3,000,000	3,000,000.	
9.8 MARIMANTI PRIMARY SCHOOL	2000000	0	0	2,000,000	2,000,000.	
9.9 MUTUGUNI PRIMARY SCHOOL	900,000.	0	0	900,000	900,000	
10.0 MAKOMANGO PRIMARY SCHOOL	900,000.00	0	0	900,000	900,000.00	

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

10.1 RANCHA PRIMARY SCHOOL	2,000,000.	0	0	2,000,000	0	2,000,000
10.2 KAANYAGA PRIMARY SCHOOL	3,000,000.	0	0	3,000,000	3,000,000.00	
10.3 KAIGA KAMWE PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
10.4 RUKENYA PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
10.5 NTHAARA PRIMARY SCHOOL	900,000.	0	0	900,000	900,000.00	
10.6 GITURI PRIMARY SCHOOL	2,000,000.	0	0	2,000,000	2,000,000.	
NYANGAARI PRIMARY SCHOOL	1,000,000.	0	0	1,000,000	1,000,000.	
10.7 KARUGUYUNI PRIMARY SCHOOL	4,000,000.00	0	0	4,000,000	4,000,000	
10.8 GACERENI PRIMARY	0	0.00	900,000.	900,000	900,000.00	
10.9 GACAINE PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.0 GAKAME MARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.1 GAKAUNI PRIMARY SCHOOL	0	0.00	1,800,000.	1,800,000	1,800,000	
11.2 GANCABI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.3 IBOTE PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	

11.4 IRIA RIA MATHUNKA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.5 KAGURINI PRIMARY SCHOOL	0	0	100,000	100,000	100,000	
11.6 KAIGA KA MBITI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.7 KAMUJWA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.8 KAROCHO PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
11.9 KATHANDENI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.0 KATHUURA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.1 KIARUNI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.2 KIBUKA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.3 KIIGANI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.4 KINYINGIRI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.5 KIRIMBU PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.6 MARANTHIU PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	

12.7 MUKOTHIMA PRIMARY SCHOOL	0	0.00	1,500,000.	1,500,000	1,500,000	
12.8 MUTAKIRI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
12.9 MUTONGA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
13.1 NJUKINI PRIMARY SCHOOL	0	0.00	2,000,000.	2,000,000	2,000,000	
13.2 NKONDI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
13.3 NTORONI PRIMARY SCHOOL	0	0.00	1,000,000.	1,000,000	1,000,000	
13.4 RIA MWANKI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
13.5 RUKURINI PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
13.6 THANANTU PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
13.7 UTURINI PRIMARY SCHOOL	0	0.00	1,000,000.	1,000,000	1,000,000	
13.8 KAANYAGA PRIMARY SCHOOL	0	0.00	1,000,000.	1,000,000	1,000,000	
KAMATUNGU PRIMARY SCHOOL	0	0.00	1,500,000.	1,500,000	1,500,000	
NTUJIA PRIMARY SCHOOL	0	0.00	900,000.	900,000	900,000	
RWERIGO PRIMARY	0	0.00	900,000.	900,000	900,000	

14.2 KAMATUMO PRIMARY SCHOOL	0	0.00	300,000.	300,000	0	300,000
8.0 Secondary Schools Projects (List all the Projects)						
8.1 NTOORONI SECONDARY SCHOOL	1,500,000.	0	0	1,500,000	0	1,500,000
8.2 MUKOTHIMA DAY SECONDARY	1,000,000.	0	0	1,000,000	1,000,000	
8.3 TURIMA TWERU SECONDARY	2,000,000.	0	0	2,000,000	0	2,000,000
8.4 NKONDI GIRLS SECONDARY SCHOOL	1,200,000.	0	0	1,200,000	1,200,000	
8.5 MATAKIRI SECONDARY SCHOOL	1,000,000.	0	0	1,000,000	0	1,000,000
8.6 KAROCHO SECONDARY SCHOOL	7,200,000	0	0	7,200,000	0	7,200,000
8.7 GACIONGO SECONDARY SCHOOL	0	0.00	900,000.	900,000	900,000	
8.8 KAMARANDI SECONDARY SCHOOL	0	0.00	300,000.	300,000	300,000	
8.9 Karii KA MBURI SECONDARY SCHOOL	0	0.00	2,500,000.	2,500,000	2,500,000	
KATHANGACINI SEC	0	0.00	1,500,000	1,500,000	1,500,000	
9.0 NG'ONYA SECONDARY SCHOOL	0	0.00	2,500,000	2,500,000	2,500,000	

9.0 Tertiary institutions Projects (List all the Projects)						
9.1 NKONDI TEACHERS ADVISORY CENTER	900,000.	0	0	900,000	0	900,000
9.2 IRUNDUNI TEACHERS TRAINING COLLEGE	2,000,000.	0	0	2,000,000	0	2,000,000
9.3 KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	4,800,000.	0	0	4,800,000	4,800,000	
9.4 KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	2,500,000.	0	0	2,500,000	2,500,000	
9.5 KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	0	0.00	2,000,000.	2,000,000	2,000,000	
KENYA MEDICAL TRAINING COLLEGE	900,000	0.00	0.00	900,000	900,000	
KENYA MEDICAL	0	0.00	2,000,000.	2,000,000	2,000,000	
9.6 KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	0	0	2,000,000	2,000,000	2,000,000	
10.0 Security Projects						
10.1 KAROCHO ASSISTANT CHIEFS OFFICE	0.00	0	900,000	900,000	900,000	

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10.2 KAMANYAKI ASSISTANT CHIEFS OFFICE	900,000.	0	0	900,000	0	900,000
10.3 CHIAKARIGA ASSISTANT COUNTY COMMISSIONER OFFICE	1,000,000.	0	0	1,000,000	1,000,000	
10.4 NKARINI POLICE POST	1,000,00	0	1,000,000	1,000,000	0	1,000,000
UTURINI ASS CHIEF	900,000	0	0	900,000	0	900,000
TONYA POLICE	0	0	1,000,000	1,000,000	1,000,000	
GACERAKA ASS CHIEFS OFFICE	0	0	900,000	900,000	900,000	
TURIMA CHIEFS OFFICE	0	0	900,000	900,000	900,000	
MWERERA ASS CHIF	0	0	900,000	900,000	900,000	
10.6 GACEUNI POLICE POST	1,000,000	0	0	1,000,000	1,000,000	
10.7 GATUNGA POLICE STATION	2,000,000.	0	0	2,000,000	0	2,000,000
10.8 MARIMANTI CIPU POLICE	800,000	0	0	800,000	800,000	
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	0	0	7,570,000	7,570,000	0	7,570,000
11.2 Construction of CDF office		500	0	500	0	500
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						

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2.1 THARAKA HUDUMA CENTER	3,000,000.	0	0	3,000,000	3,000,000	
12.2 RURAL ELECTRIFICATION MATCHING FACING	5,000,000.	0	0	5,000,000	5,000,000	
Funds pending approval**						
Total	137,088,878	4,591,010	69,367,724	235,723,611	173,713,857	62,009,75.

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

XIII: NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
B096646	1		11,000,000
B104493	2		15,000,000
B104159	3		15,000,000
B047760	4		5,000,000
B041344	5		18,000,000
B041069	6		55,040,876
B041222	7		4,000,000
B047160	8		1,000,000
NGCDF Board			
AIE NO A823730	1	34,000,000.00	
AIE NO B104754	2	20,000,000.00	
AIE NO B104964	3	7,797,724.00	
AIE NO B124674	4	9,000,000.00	
AIE NO B1248875	5	7,570,000.00	
AIE NO B119660	6	8,500,000.00	
AIE NO B128321	7	6,900,000.00	
AIE NO B128049	8	12,000,000.00	
AIE NO B132052	9	6,000,000.00	
AIE NO B132346	10	6,000,000.00	
AIE NO B126015	11	13,000,000.00	
AIE NO B126307	12	7,000,000.00	
AIE NO B105102	13	11,600,000.00	
AIE NO B140746	14	12,000,000.00	
TOTAL		161,367,724	124,040,876

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

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	-	5,000,000
Other Receipts Not Classified Elsewhere	-	-
Total	-	5,000,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,693,093	1,780,360
Personal allowances paid as part of salary		
House Allowance	0	0
Transport Allowance	0	0
Leave allowance	50,000	50,000
Gratuity to contractual employees	693,254	559,600
Employer Contributions Compulsory national social security schemes	129,600	129,600
Total	2,565,947	2,519,560

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	3,246,955	3,816,000
Utilities, supplies and services	100,000	60,000
Communication, supplies and services	0	0
Domestic travel and subsistence	1,252,200	693,600
Printing, advertising and information supplies & services	202,215	470,677
Rentals of produced assets	0	0
Training expenses	1,086,254	1,272,000
Hospitality supplies and services	868,060	1,669,670
Bank charges	45,080	73,800
Insurance costs	0	0
Specialized materials and services	0	0
Fuel oil and lubricants	1,184,328	1,560,000
Office and general supplies and services	457,565	579,656
Other operating expenses	0	169,700
Routine maintenance – vehicles and other transport equipment	430,931	445,060
Routine maintenance – other assets	151,200	757,445
Total	9,024,788	11,567,608

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)	66,100,000	38,638,706
Transfers to secondary schools (see attached list)	9,900,000	16,700,000
Transfers to tertiary institutions (see attached list)	14,200,000	8,000,000
TOTAL	90,200,000	63,338,706

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,152,392	13,647,610
Bursary – tertiary institutions (see attached list)	5,577,600	13,276,500
Bursary – special schools (see attached list)	1,148,000	0
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0
Security projects (see attached list)	7,400,000	10,900,000
Sports projects (see attached list)	0	2,747,354
Environment projects (see attached list)	5,489,131	0
Emergency projects (see attached list)	7,480,000	7,313,250
Total	39,247,123	47,884,714

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
<i>Purchase of Office Furniture and General Equipment</i>	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	175,500
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
Total	0	175,500

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
Other	8,000,000	0
Total	8,000,000	0

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
Name of Bank, Account No.	Kshs (30/6/2020)	Kshs (30/6/2019)
<i>Cooperative, Account No. 01120058205800</i>	16,920,878	4,591,011
Total	16,920,878	4,591,011
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	0	0

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>
N/A			-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<i>Total</i>		0	0	0

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	0	0

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	0	-0

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	4,591,011	1,036,222
Cash in hand	0	0
Imprest	0	0
Total	4,591,011	1,036,222

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 (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST*

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

16.CHANGES IN ACCOUNTS PAYABLE - DEPOSITS AND RETENTIONS

	2020 - 2021	2019- 2020
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account receivables 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	202,848	226,343
Use of goods and services	1,274,904	0
Amounts due to other Government entities (see attached list)	40,000,000	47,000,000
Amounts due to other grants and other transfers (see attached list)	12,961,512	18,161,891
Acquisition of assets	7,570,500	500
Others (<i>specify</i>)	-	-
Funds pending approval	-	-
TOTAL	62,009,764	65,388,734

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)	6,161,538	19,740,720
TOTAL	6,161,538	19,740,720

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020 d=e-c	Comments
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					

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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				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief transaction history	Outstanding balance 2020/2021	Outstanding balance 2019/2020	Funds were received late from NG CDF board
Compensation of employees				
Compensation of employees	Employees salaries	202,848.00	226,343.00	Funds were received late from NG CDF board
Sub total		202,848.00	226,343.00	
Use of goods and services				
Committee allowances	Committee allowances	45,071.00	0.00	Funds were received late from NG CDF board
Capacity building	Training expenses	318,648.00	0.00	Funds were received late from NG CDF board
Committee allowances	Committee allowances	598,462.00	0.00	Funds were received late from NG CDF board
Use of goods and services	use of goods	312,721.00	0.00	Funds were received late from NG CDF board
Sub total		1,274,902.00	0.00	
Amounts due to other government entities				Funds were received late from NG CDF board
7.1 KIORU PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
7.2 UCWENI PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
7.3 KABUABUA PRIMARY SCHOOL	construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
KAMATUMO PRIMARY SCHOOL	Construction of classrooms	300,000.00	0.00	Funds were received late from NG CDF board
7.4 KARAMBANI PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
7.8 MWANYANI PRIMARY SCHOOL	Renovation of classrooms	1,000,000.00	0.00	Funds were received late from NG CDF board
7.9 IRIMBA PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
8.2 NYAKINJERU PRIMARY SCHOOL	Renovation of classrooms	1,000,000	0	Funds were received late from NG CDF board
8.4 MATERI BOARDING PRIMARY SCHOOL	Purchase of school bus	7,200,000.00	0.00	Funds were received late from NG CDF board
8.6 MUTARANGA	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board

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PRIMARY SCHOOL				
8.7 NDARUNI PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
8.8 KIERERA PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
8.9 KAMWATHU PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
9.0 KATHANGACHINI PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
9.1 GACEUNI PRIMARY SCHOOL	Construction of classrooms	900,000.00	0.00	Funds were received late from NG CDF board
9.2 IRUMA PRIMARY SCHOOL	Renovation of classrooms	1,000,000.00	0.00	Funds were received late from NG CDF board
9.3 GACIONGO PRIMARY SCHOOL	Construction of classrooms	2,000,000.00	0.00	Funds were received late from NG CDF board
9.6 GACERENI PRIMARY SCHOOL	Renovation of classrooms	1,000,000	0	Funds were received late from NG CDF board
10.1 RANCHA PRIMARY SCHOOL	Construction of Dormitory	2,000,000.00	0.00	Funds were received late from NG CDF board
8.1 NTOORONI SECONDARY SCHOOL	Completion of laboratory	1,500,000	0	Funds were received late from NG CDF board
8.3 TURIMA TWERU SECONDARY	Construction of dormitory	2,000,000	0	Funds were received late from NG CDF board
8.5 MATAKIRI SECONDARY SCHOOL	Renovation of classrooms	1,000,000	0	Funds were received late from NG CDF board
8.6 KAROCHO SECONDARY SCHOOL	Purchase of bus	7,200,000	0	Funds were received late from NG CDF board
9.1 NKONDI TEACHERS ADVISORY CENTER	Construction of an office	900,000	0	Funds were received late from NG CDF board
9.2 IRUNDUNI TEACHERS TRAINING COLLEGE	Construction of two classrooms	2,000,000	0	Funds were received late from NG CDF board
Gacereni Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Gachaine Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Gakame Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board

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Gakame Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Gakauni Primary School	Construction of two classroom		1,800,000	Funds were received late from NG CDF board
Gancabi Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Ibote Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Iria Ria Manthuka Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kagurini Primary School	supply of water		100,000	Funds were received late from NG CDF board
Kaiga Ka Mbiti Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kamujwa Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Maranthiu Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Karocho Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kathandeni Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
8.4 Kathuura Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kiaruni Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kibuka Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kiigani Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kinyingiri Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kirimbu Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Mukothima Primary School	Construction of a dorm		1,500,000	Funds were received late from NG CDF board
Mutakiri Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Mutonga Primary School	Construction of a classroom		550,000	Funds were received late from NG CDF board
Ndurumoni Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Njukini Primary School	Construction of a classroom		2,000,000	Funds were received late from NG CDF board
Nkondi Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Ntoroni Primary School	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Riamwanki Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Rukurini Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Thanantu Primary School	Construction of a classroom		900,000	Funds were received late from NG CDF board

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Uturini Primary School	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Kaanyaga Primary School	Roofing of classrooms		1,000,000	Funds were received late from NG CDF board
Gaciongo Secondary School	Construction of a classroom		900,000	Funds were received late from NG CDF board
Kamarandi Secondary School	Construction of a lab		300,000	Funds were received late from NG CDF board
Karii Kamburi Secondary School	Construction of a lab		2,500,000	Funds were received late from NG CDF board
Ngonya Secondary School	Construction of a lab		2,500,000	Funds were received late from NG CDF board
Kenya Medical Training College	Construction of 2 classroom		2,000,000	Funds were received late from NG CDF board
Kenya Medical Training College	Construction of admin block		2,500,000	Funds were received late from NG CDF board
Kamwathu Secondary School	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Ndaruni Primary School	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Ndurumoni Primary	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Iriani Primary School	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Tonya Secondary	Construction of a classroom		1,000,000	Funds were received late from NG CDF board
Kathangacini Secondary School	Grading of a play ground		1,500,000	Funds were received late from NG CDF board
Kamutumo Primary	Finishing of a classroom		150,000	Funds were received late from NG CDF board
Sub total		40,000,000	47,000,000	
Amounts due to other grants and transfers				
Gaceraka Assistant Chiefs Office	Construction of an office		900,000	Funds were received late from NG CDF board
Riamikuu Administration Police Camp	Construction of admin block		1,000,000	Funds were received late from NG CDF board
Karocho Ass Chief	Construction of an office		900,000	Funds were received late from NG CDF board
Turima Chiefs Office	Construction of a classroom		900,000	Funds were received late from NG CDF board
Mwerera Chiefs Office	Construction of a classroom		900,000	Funds were received late from NG CDF board
Emergency	Emergency cases	2,836,191	4,600,000	Funds were received late from NG CDF board
Secondary Schools	Award of bursaries	758,644	2,935,176	Funds were received late from NG CDF board
Tertiary Institutions	Award of bursaries	1,497,774	3,854,232	Funds were received late from NG CDF board
Special schools	Award of bursaries	327,117	4,025,129	Funds were received late from NG CDF board

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Environment	Fencing of a dam		2,747,354	Funds were received late from NGCDF board
5.0 Sports				Funds were received late from NGCDF board
5.1 RUUNGU PRIMARY SCHOOL	Levelling of school field	2,741,788	0.00	Funds were received late from NGCDF board
10.2 KAMANYAKI ASSISTANT CHIEFS OFFICE	Construction of an office	900,000	0	Funds were received late from NGCDF board
10.4 NKARINI POLICE POST	Construction of an office	1,000,000	0	Funds were received late from NGCDF board
UTURINI ASS CHIEF	Construction of an office	900,000	0	Funds were received late from NGCDF board
10.7 GATUNGA POLICE STATION	Construction of police station	2,000,000	0	Funds were received late from NGCDF board
11.1 Motor Vehicles (including motorbikes)	Purchase of toyota landcruiser	7,570,000	0	Funds were received late from NGCDF board
11.2 Construction of CDF office		500	0	Funds were received late from NGCDF board
Purchase Of Laptop	purchase of laptops		500	Funds were received late from NGCDF board
Sub total		20,532,004	10,438,406	
Total		62,009,764	65,388,734	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	0	0		0
Buildings and structures	8,610,523			8,610,523
Transport equipment	4,579,250			4,579,250
Office equipment, furniture and fittings	425,000			425,000
ICT Equipment, Software and Other ICT Assets	388,295	175,500		563,795
Other Machinery and Equipment	199,500			199,500
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	14,202,568	175,500		14,378,068

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

PROJECT MANAGEMENT COMMITTEE	BANK	A/C NUMBER	BAL 30/6/2021	BAL 30/6/2020
KIRIMBU PRIMARY SCHOOL	Sidian Bank	1030030000471	22568.00	0.00
MUTONGA PRIMARY SCHOOL	Sidian Bank	1030030000231	50516.00	0.00
MWERERA ASSISTANT CHIEFS OFFICE	Sidian Bank	1030030000391	340551.00	0.00
NKONDI PRIMARY SCHOOL	Sidian Bank	1030030000291	70679.00	0.00
NTORONI PRIMARY SCHOOL	Sidian Bank	1030030000291	70679.00	0.00
TURIMA CHIEF'S OFFICE	Sidian Bank	1030030000371	76204.00	0.00
MARANTHIU PRIMARY SCHOOL	Sidian Bank	1030030000401	81987.00	0.00
MARIMANTI CIPU	Sidian Bank	1016030000232	815.00	0.00
MCK RUKURINI PRIMARY SCHOOL	Sidian Bank	1030030000461	406569.00	0.00
MUTAKIRI PRIMARY SCHOOL	Sidian Bank	1016030000182	57674.00	0.00
NG'ONYA MIXED DAY SECONDARY	Sidian Bank	1030030000191	199124.00	0.00
DEB THANANTU PRIMARY SCHOOL	Sidian Bank	1030030000551	347936.00	0.00
CCM KIIGANI PRIMARY SCHOOL	Sidian Bank	1030030000571	417595.00	0.00
KIARUNI PRIMARY SCHOOL	Sidian Bank	1030030000451	193470.00	0.00
GANCABI PRIMARY SCHOOL	Sidian Bank	1030030000251	48975.00	0.00
GACERENI PRIMARY SCHOOL	Sidian Bank	1030030000261	54000.00	0.00
GACERAKA ASSISTANT CHIEF'S OFFICE	Sidian Bank	1030030000271	17344.00	0.00
GACHAINE PRIMARY SCHOOL	Sidian Bank	1030030000211	4755	0.00

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GACIONGO SECONDARY SCHOOL	Sidian Bank	1030030000241	50617.00	0.00
GAKAME PRIMARY SCHOOL	Sidian Bank	1030030000341	36110.00	0.00
IBOTE PRIMARY SCHOOL	Sidian Bank	1030030000311	98763.00	0.00
KAANYAGA PRIMARY SCHOOL	Sidian Bank	1030030000171	1131655.00	0.00
IRUNDUNI -NTUGI EARTH DAM CDF PMC	Sidian Bank	1030030000161	23890	0.00
KAANYAGA PRIMARY SCHOOL	Sidian Bank	1030030000171	1131655.00	0.00
KAIGA KA MBITI PRIMARY SCHOOL	Sidian Bank	1030030000321	5690.00	0.00
KAMUJWA PRIMARY SCHOOL	Sidian Bank	1030030000361	48429.00	0.00
KARII KAMBURI SECONDARY SCHOOL	Sidian Bank	1030030000221	125934.00	0.00
KAROCHO ASSISTANT CHIEF'S OFFICE-PMC	Sidian Bank	1030030000331	40672.00	0.00
KAROCHO PRIMARY SCHOOL	Sidian Bank	1030030000381	54675.00	0.00
KATHANDENI PRIMARY SCHOOL	Sidian Bank	1030030000281	44319.00	0.00
TONYA POLICE CAMP NG CDF	Sidian Bank	1016030000582	1195.00	0.00
KENYA MEDICAL TRAINING COLLEGE-MARIMANTI	Cooperative Bank	1141207740100	477,824	0
KATHANGACHINI MIXED SECONDARY SCHOOL	Cooperative Bank	1134058221100	8,850.00	0
DEB IRIA RIA MATHUNKA PRIMARY SCHOOL	Cooperative Bank	1141207821700	1,219.00	0
MUKOTHIMA PRIMARY SCHOOL	Cooperative Bank	1141207398300	80,530.00	0
NJUKINI PRIMARY SCHOOL	Cooperative Bank	1141207405600	88,253.00	0
GAKAUNI PRIMARY SCHOOL	Cooperative Bank	1141207469500	4,785.00	0
NDURUMONI PRIMARY SCHOOL	Cooperative Bank	1141207477600	50,637.00	0

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KIBUKA PRIMARY SCHOOL	Cooperative Bank	1141206997701	70,910.00	0
EAPC NYAAGARI PRIMARY SCHOOL	Cooperative Bank	1141207890400	67,224.00	0
NKONDI GIRLS SECONDARY SCHOOL	Cooperative Bank	1134058310302	63,159.00	0
MARIMANTI PRISON PROJECT MANAGEMENT	Cooperative Bank	1141207329300	1,975.00	0
KAGURINI PRIMARY SCHOOL	Cooperative Bank	1141207468600	2,433.00	0
KAMARANDI MIXED DAY SECONDARY SCHOOL	Cooperative Bank	1141057296400	354	0
CCM KATHUURA PRIMARY SCHOOL	Cooperative Bank	114158380900	68,870.00	0
Rukenya Primary School	Sidian bank	01016030000262	0	1,475
Marimanti Primary School	Sidian bank	01016030000252	0	87,025
Karou Primary School	Sidian bank	01016030000242	0	3,115
Tharaka South AP	Sidian bank	01016030000232	0	255
Gaciongo Primary	Sidian bank	01016030000222	0	1,155
Kiorimba Day	Sidian bank	01016030000212	0	295
Nturia Primary School	Sidian bank	01016030000202	0	362,363
Mutakiri Primary School	Sidian bank	01016030000182	0	6,115
Kirundi Primary	Sidian bank	01016030000102	0	755
Kamutuandu Primary	Sidian bank	01016030000112	0	418,858
Chiakariga Police	Sidian bank	01016030000282	0	1,375
Gatue Sec School	Sidian bank	01016030000151	0	4,115
Rwerigo Primary School	Sidian bank	01016030000262	0	81,226
Kiumbe Primary School	Sidian bank	01016030000422	0	3,111,678.50
Kirigicha Police Post	Sidian bank	01016030000342	0	2,498,975
Rwakinanga Primary	Sidian bank	01016030000333	0	207,535
Gituri Primary School	Sidian bank	01016030000322	0	4,246,329
Ndiuni Primary School	Cooperative bank	01139058247206	0	7,201,900

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Gaceraka Secondary School	Cooperative bank	01141207757500	0	1,506,...
Ndaruni Mixed Secondary School	Cooperative	01141058292400	0	0
Rancha Road	Cooperative	01141207329400	0	0
Mugui Secondary School	Cooperative	01141207399000	0	0
Mugui Ap Camp	Cooperative	01141207329500	0	0
Marimanti Prison	Cooperative	01141207329300	0	0
Ntoroni Ap Camp	Cooperative	01141207400200	0	0
Mukothima Primary	Cooperative	01141207398300	0	0
Turima Tweru AP Camp	Cooperative	01141207331200	0	0
Kamachabi Ap Camp	Cooperative	01141207324200	0	0
Kiamiramba Police Post	Cooperative	01141207323700	0	0
Njukini Primary	Cooperative	01141207405600	0	0
Kijege Primary	Cooperative	01141207405000	0	0
Matagatani Primary School	Cooperative	01141207402700	0	0
Ndaruni Mixed	Cooperative	01141058292400	0	0
Total			6,161,538	19,740,720

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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)
	Audit certificate from Office of Auditor general not yet issued			

