

REPUBLIC OF KENYA



*Enhancing Accountability*



# REPORT

THE NATIONAL ASSEMBLY  
PAPERS LAID

OF

DATE: 14 AUG 2024

DAY: WEDNESDAY

TABLED  
BY:

MEM. THE AUDITOR-GENERAL  
DEPUTY LEADER OF THE  
MAJORITY PARTY

**THE AUDITOR-GENERAL**

CLERK-AT  
THE-TABLE:

ESTHER NGINYO

ON

## NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MATAYOS CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2023





---

**MATAYOS CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

---

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



<b>Table of Content</b>	<b>Page</b>
1. Acronyms and Abbreviations .....	ii
2. Key Constituency Information and Management .....	iii
3. NG-CDFC Chairman’s Report .....	vii
4. Statement Of Performance Against Predetermined Objectives for FY2022/23 .....	xi
5. Governance Statement .....	xiv
6. Environmental and Sustainability Reporting .....	xx
7. Statement Of Management Responsibilities .....	xxiv
8. Report of the Independent Auditors On The NGCDF- Matayos Constituency .....	xxvi
9. Statement of Receipts and Payments for the Year Ended 30th June 2023 .....	1
10. Statement Of Assets and Liabilities As At 30th June, 2023 .....	2
11. Statement Of Cash Flows for The Year Ended 30th June 2023 .....	3
12. Summary Statement of Appropriation for The Year Ended 30 <sup>th</sup> June 2023 .....	4
13. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2023 .....	6
14. Significant Accounting Policies .....	12
15. Notes To the Financial Statements .....	18
16. Annexes .....	29



***Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023***

---

**1. Acronyms and Abbreviations**

A.I.E- Authority to Incur Expenditure

A.I.A-Appropriation in Aid

ARMC -Audit and Risk Management Committee

FY - Financial Year

IPSAS-International Public Sector Accounting Standards.

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

PMC-Project Management Committee

PWD -Person with Disabilities



## **2. 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 2022. 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



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

---

**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 Matayos 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)

### **Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Kevin O. McAkech
2.	Sub-County Accountant	Kennedy O. Oluoch
3.	Chairman NGCDFC	Stephen Ronald Ojwang
4.	Member NGCDFC	Fredrick Wafula Okello

### **(c) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Matayos 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.

### **(d) Matayos Constituency NGCDF Headquarters**

P.O. Box 1055-50400  
Busia-Kisumu Road, Mundika Stage

### **(e) Matayos Constituency NGCDF Contacts**

Telephone: (254) 791273298  
E-mail: [cdmatayos@ngcdf.go.ke](mailto:cdmatayos@ngcdf.go.ke)  
Website: [www.matayos.go.ke](http://www.matayos.go.ke)

### **(f) Matayos Constituency NGCDF Bankers**

Equity Bank (A/c no.0780266047486)  
Branch  
P.O. Box 553-50400  
Busia, Kenya



**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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

**3. NG-CDFC Chairman's Report**



**Mr. Stephen Ronald Ojwang**  
**Chairperson Matayos NG-CDF**

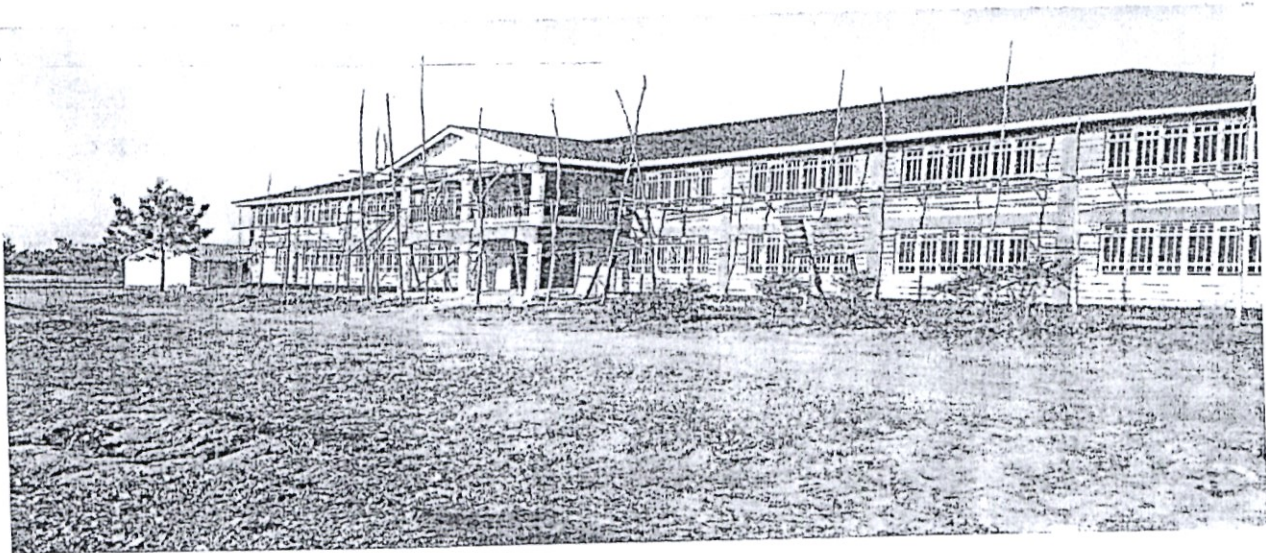
Matayos Constituency is one of 7 electoral constituency of Busia County. It was carved from the larger Nambale constituency, and borders Nambale, Butula, Teso South, Teso North and Funyula constituencies. It was created by the Independent Electoral and boundaries commission before the 2013 general election. The constituency has five wards, which include Mayenje, Burumba, Bukhayo West, Busibwabo and Matayos South. It has a population of about 300,000 and 67,708 registered voters as per the 2022 voter register. The serving member of parliament is Hon. Geoffrey Makokha Odanga.

NGCDF over the years has improved in the accountability ladder by the introduction of IPSAS method of accounting. The reporting formats have changed and it is more precise in the operations of the fund. It has also helped in the reduction of audit queries and it has laid bare where correction and improvement should be made. The committees can now be able to deduce the happenings in the constituency by simply reading the financial report which is now elaborate.



## KEY ACHIEVEMENTS

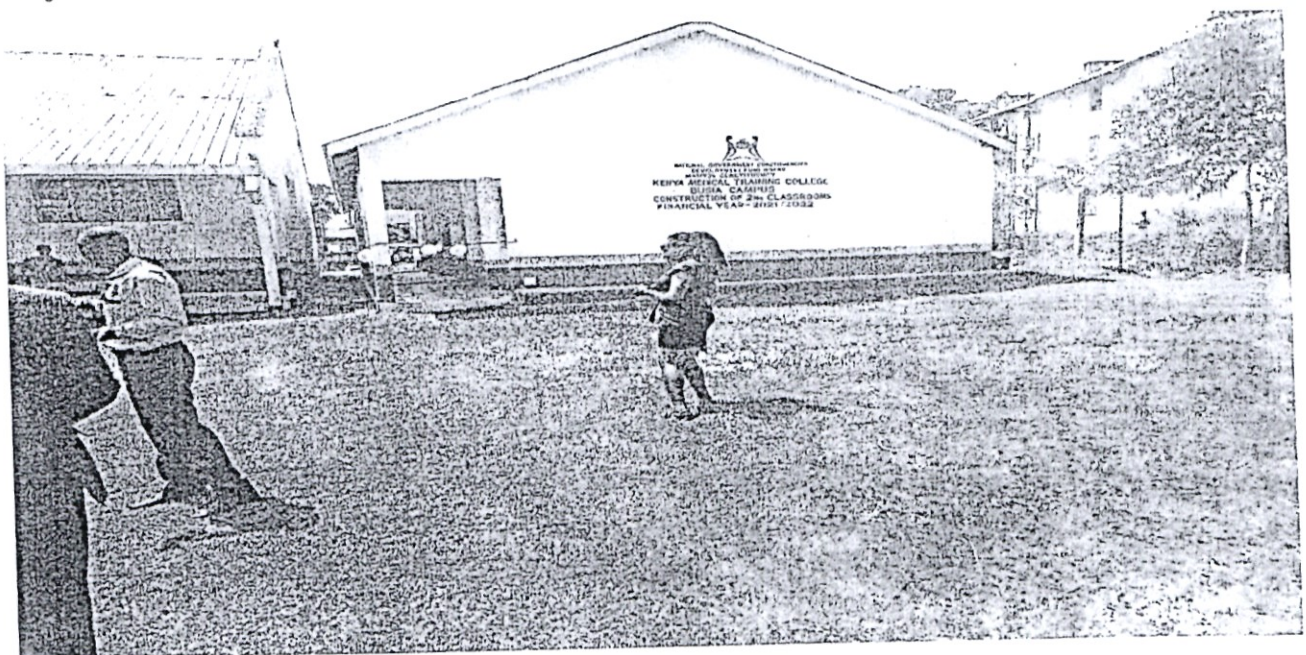
The following are some of the key projects that have been undertaken by Matayos NGCDF



### **Project 1: Construction of Mundika Secondary Administration Block**

This project will enable the students enjoy the amenities such as the computer lab, Library and host of other services in the same building. The institution has been using a small and dilapidated administration block since the 90's. The project is expected to be handed over and in operation October 2024.

### **Project 2: Construction of Two Classroom at the Kenya Medical Training College-BUSIA**



### **Project 3: Construction of Dormitory block at Lwanya Girls Secondary School**





### **Emerging Issues**

The following are some of the emerging issues that have been experienced throughout the Covid-19 period to the current state of the economy.

#### **1. Inflation Rates**

The current inflation rate coupled with the rise in the exchange rate between the dollar and the Kenya shilling, there has been a significant rise in the cost of carrying out construction activities in the constituency by almost 60% rendering most projects abandoned, varied or the need for additional funding by the NGCDF Board

#### **2. Introduction of the Junior Secondary School**

The introduction of the Junior Secondary School has led to most primary schools requiring more infrastructure to cater for the student population, as other primary schools have not qualified to host the junior Secondary school. This has necessitated the NGCDF to come to the rescue of such schools in the construction of more classrooms to enable 100% absorption of the students for the lower primary.

#### **3. University and Tertiary Education Funding**

Since the introduction of the new University and Tertiary college funding, the NGCDF bursary has now been constrained considering the increment in the fees countrywide. NGCDF Committee has no choice but to increase the bursary amount to cater for the University and tertiary education. This will result only a few students to be catered for by the constituency bursary as more and more students are seeking additional bursary amounts to cater for their studies.

### **IMPLEMENTATION CHALLENGES AND SOLUTIONS**

#### **1. Late Disbursements to the Constituency**

This has resulted into delays in the completion of projects in the constituency. We hope that this will improve and the funds disbursed in time so that there is value for money. However, we have been able to disburse money to various projects in time through the project management Committees for implementation of the projects.



2. Bursary and Acknowledgements by Institutions

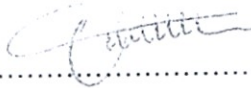
Bursary has been the key pillar for NGCDF all over Kenya. As the population increases so is the number of students that apply for bursary in the constituency. The number of students who qualify for the bursary has increased rendering the Constituency bursary committee to incorporate all with a lower amount to suffice the number. We wish that the amount for bursary will increase in the coming years to cater for the large numbers.

The other issue is the acknowledgment by institutions when bursary cheques have been issued to the various schools. The NGCDF Matayos has endeavoured to incorporate the Postal Corporation to enable 100% acknowledgement of the bursary but still to no avail. To enable the public be more proactive more civic education needs to be carried out in schools, institutions and public barazas.

3. Project implementation

Many major projects in the constituency have been designed missing crucial amenities like disability ramps, toilets, proper flooring and septic tanks. This has led to the additional funding to the same project year in and out. The NGCDFC has endeavoured to counter such design problems before it is implemented. The Public works officers have also been capacity built to reduce the bottle necks experienced by lack of funds when the project has taken off.

All Project management Committees have been capacity built to enable them operate at their optimal to reduce errors in the project implementation face.



.....  
**STEPHEN RONALD OJWANG  
CHAIRMAN NGCDF COMMITTEE**

**4. Statement Of Performance Against Predetermined Objectives for FY2022/23**

**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 *Matayos Constituency 2019-2023* plan are to:

**Strategic Area One; Education Programmes (Primary Schools)**

Sector Priority; Improvement of infrastructure in Primary Schools  
 Strategies/ Interventions; Reduce of school dropouts, Improvement of performance in schools, increased enrollment in schools, and Increase performance in schools  
 Objective: To ensure all boys and girls above five years access quality primary education  
 Outcome: Enhanced access to quality primary education

**Strategic Area Two; Education Programmes (Secondary Schools)**

Sector Priority; Improvement of infrastructure in Secondary schools  
 Strategies/ Interventions; Reduction in school dropouts, Improvement of performance in schools, Increase enrollment schools and Increase performance in schools  
 Objective: Improve access, equity, retention of Secondary Education  
 Outcome: Improved enrolment, retention and transition rates

**Strategic Area Three: Security**

Sector Priority; Reduce crime  
 Strategies/ Interventions; Installation of security lights, Security administrative centers, Improvement of security camps, Increasing number of security personnel, Capacity building for communities and Correctional/Rehabilitation and holding centers  
 Objective: To reduce the number of crimes  
 Outcome: Enjoyment of a peaceful and orderly society

**Progress on attainment of Strategic development objectives**

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

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Education	To ensure all boys and girls above five	Increased enrolment in primary schools	Number of usable physical infrastructure	Construction of a 2,000-capacity multipurpose hall



*Matayos Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2023*

Constituency Program	Objective	Outcome	Indicator	Performance
	years access quality primary education Improve access, equity, retention of Secondary Education	and improved transition to secondary schools and tertiary institutions	build in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all level	Construction of 1 administration block Completion of 5 administration blocks Renovation of 1 administration block Construction of 9 classrooms Completion of 2 classrooms Renovation of 17 classrooms Construction of 12 door pit latrine Construction of 1 laboratory and 1 library Completion of 2 laboratories and 1 library Fencing of 2 acres of land Renovation of 1 multipurpose hall Construction of 1 dining hall Completion of purchase of 2 acres of land 8,291 bursary beneficiaries
Security	To reduce the number of crimes	Developed and enhanced security organs	Number of usable physical infrastructure built in locations, sub locations and police stations	Completion of 3 chiefs' office Construction of 1 chief's office Renovation of 2 chief's offices Construction of a 4-door pit latrine in a chief's office Construction of 1 police post Completion of 1 police post Renovation of DDC's office

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Environment	Improve access to a more sustainable and conserved environment	Improved sanitation facilities in schools Provision of tree seedlings to schools to improve the forest cover	Number of sanitation facilities built in schools Number of trees planted	Purchase and installation of Water Tanks for water harvesting 10,000 litres in 12 schools
Sports	Empower youth and special groups in the constituency	Improved cohesion and enhanced economic growth through sports	Number of groups benefitting from the sports programme	300 youths benefitted from the program



## 5. Governance Statement

### Introduction

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice. In this regard section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

- a) One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- b) Officer of the Board seconded to the constituency who is be the secretary of the selection panel
- c) Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG-CDF regulations requires that one to serve as member of the NGCDF committee he or she must be;

- a) citizen of Kenya
- b) ordinarily resident voter of the constituency
- c) able to read and write and communicate in English and Kiswahili
- d) meet the chapter six of the constitution
- e) available to participate in the activities of the constituency
- f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and
- g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

### Appointment of National Government Constituency Development Fund Committee

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each Constituency Committee shall comprise of—
  - (a) the national government official responsible for co-ordination of national government functions;
  - (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
  - (c) Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;
  - (d) one persons with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
  - (e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
  - (f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
  - (g) One member co-opted by the Board in accordance with Regulations made by the Board.
- (3) The seven persons referred to in subsection (2) (b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazette by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by election, by the



national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

(7) The quorum of the Constituency Committee shall be one half of the total membership.

(8) The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

(11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

**Process of Formation of the NGCDF Committee**

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NG-CDF committee. The panel invited the public through advertisement publicised in churches, public offices notice boards at the chiefs and assistant Chiefs offices and other public areas in the constituency.

Out of the total 19 applicants, the selection panel developed a shortlisting criterion which enabled identification of the nominees for interviews. Two additional nominees were proposed by Matayos Constituency Office as per section 43 of the NG-CDF Act, 2015.

NO.	NAME	CATEGORY	WARD
1.	Stephen Ronald Ojwang	Male (Adult)	Bukhayo West
2.	Dickson Ooko	Male (Youth)	Matayos south
3.	Caroline Minnie Atieno	Female (Adult)	Burumba
4.	Carren Lutta Nakuti	Female (Youth)	Busibwabu

**Nominee of the Body representing Persons with Disability**

NO	NAME	NOMINATING ORGANIZATION	NATURE OF PHYSICAL IMPAIRMENT	WARD
1.	Fredrick Okello Wafula	Bukhayo west Disability Group	Ambulatory	Bukhayo West

**Nominee of the Constituency Office**

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Hillary Wafula Oboya	Male	Business Person	Bukhayo West
2.	Violet Nyongesa	Female	Business Lady	Mayenje

Upon further consultation with the panel and the Constituency Office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

**Matayos Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

S/N	Name	Gender	Ward
1.	Pascal Wandera	Male	Mayenje

The above committee was gazetted on 9<sup>th</sup> December 2022 by the Chief Executive Officer of the Board via Gazette Notice Vol. CXXIV-No. 266

The members took over the office on the first meeting on 13<sup>th</sup> December 2022 and went through the process electing the chairperson and the secretary of the committee. The following members were elected.

- |                |                        |                |
|----------------|------------------------|----------------|
| 1. Chairperson | -Mr. Stephen R. Ojwang | ID No.13672766 |
| 2. Secretary   | -Ms. Fred O. Wafula    | ID No. 1181230 |

During its first meeting, a Constituency Committee established Sub-Committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i. Bursary Sub Committee
- ii. Monitoring and Evaluation Sub-Committee
- iii. Disciplinary and complains Committee

The following were appointed to the different committee

**a. Bursary committee**

1. Sub-county education Director - Chairman
2. Fund Account Manager - Secretary
3. Mr. Pascal Wandera - Member
4. Ms. Carren Lutta - Member
5. Mrs. Caroline Atieno -Member
6. Oversight Committee -Member

**b. Monitoring and Evaluation Sub-Committee**

1. Ms. Carren Lutta - Chairperson
2. Mr. Hillary T. Oboya - Secretary
3. Mrs Violet A. Nyongesa - Member
4. Mr. Dickson E Ooko - Member
5. Mr. Pascal Wandera -Member

**c. Disciplinary and Complains Committee**

1. Mr. Dickson E. Ooko - Member
2. Mr. Fredrick W. Okello - Member
3. Mrs. Violet A. Nyongesa - Member
4. Hillary T. Oboya - Member

The chairperson and the secretary are members of all the committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also co-opted to be in the Bursary committee.

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.



### **Roles and functions of NG-CDFC**

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- Convene public meetings in every ward in the constituency to deliberate on development matters.
- Deliberate on project proposals and any other projects considered beneficial to the constituency.
- List of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund
- Ensure that all projects receive adequate funding and are completed within three years.
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- Enter into performance contracting with the Board on an annual basis.

### **Removal of NG-CDFC Members**

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (i) lack of integrity;
- (ii) gross misconduct;
- (iii) embezzlement of public funds;
- (iv) bringing the committee into disrepute through unbecoming personal public conduct;
- (v) promoting unethical practices
- (vi) causing disharmony within the committee; (vii) physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member ought to be removed shall be given a fair hearing before the resolution is made.

In Matayos the NG-CDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

### **Training of NG-CDFC Members**

In the financial year 2022/2023 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Matayos.

### **Number of Meetings Held**

According to the NG-CDF Act 2015, Section 43(1), the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. Matayos Constituency Held a total of 18 meetings (Two (4) meetings for the old committee and Ten (14) for the New Committee) in the financial year 2022-2023 and the attendance was as follows.



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

NO.	NG-CDFC COMMITTEE MEMBERS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Stephen Ronald Ojwang-Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Fredrick Okello-Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Caroline Minnie Atieno-Member	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Carren Lutta Nakuti-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Hillary Tom Oboya-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓
6	Pascal Wandera-Member	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Dickson Ooko-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Violet Nyongesa-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Kevin McAkech-FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Rutto Kipchumba-ACC	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓

### **Ethics & Conduct**

Members of NGCDFC are required to observe the following ethical issues

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2022/2023 members of NGCDFC Matayos adhered to the above ethical issues.

### **Members Remuneration**

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDFC is entitled to an allowance Ksh. 7,000.00 per meeting and all other members an allowance of Ksh. 5,000.00 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

### **Disclose policy on conflict of interest**

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2022/2023 no member of NGCDFC Matayos contravened conflict of interest policy.

### **Risk management**

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training

of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Matayos has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.



## **6. Environmental and Sustainability Reporting**

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

- a. **Education and Training:** Matayos 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 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

Matayos NG-CDF Committee supports the improvement and maintenance of the environment by ensuring that at least 2% of the Constituency budget is spent on preserving and protection of the environment through enhanced tree planting. Matayos NG-CDF Committee recognises the provisions of the strategic plan (2019-2023) and the National Environmental Management Authority (NEMA) guidelines.

Matayos NG-CDF Committee is guided by an environment policy which commits to;

- Increase the forest cover in Matayos through planting of trees
- Protect the environment through minimizing our contribution to pollution of land, air and water and management of waste by ensuring proper waste disposal.
- Comply with the relevant environmental measures which have been put in place
- Encouraging and sensitizing on the importance of protecting the environment to the constituents.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Matayos 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 are 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. Matayos constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

## **4. Market place practices**

Matayos 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 interest

## **5. Community Engagements-**

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

### **Public Participation in Project Identification and Implementation and Monitoring**

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

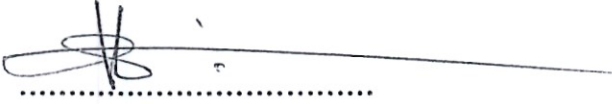
**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

### **Public Awareness**

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

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



.....  
**KEVIN O. MCAKECH**

**Fund Account Manager.**



## **7. 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-Matayos 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, 2023. 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-Matayos 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, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Matayos 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 Matayos 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.

**Matayos Constituency**

**National Government Constituencies Development Fund (NGCDF)**

**Annual Report and Financial Statements for The Year Ended June 30, 2023**

---


**Approval of the financial statements**

The NGCDF- Matayos Constituency financial statements were approved and signed by the Accounting Officer on 21<sup>st</sup> September, 2023.



.....  
**Name: STEPHEN RONALD OJWANG**

**Chairman – NGCDF Committee**



.....  
**Name: KEVIN O. MCAKECH**

**Fund Account Manager**



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: 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 – MATAYOS CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

---

### 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 the 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 - Matayos Constituency set out on pages 1 to 47,

*Report of the Auditor-General on National Government Constituencies Development Fund - Matayos Constituency for the year ended 30 June, 2023*



which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Matayos Constituency as at 30 June, 2023, 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 (Amended 2022).

### **Basis for Qualified Opinion**

#### **1. Inaccuracy in Cash and Cash Equivalents**

The statement of assets and liabilities reflects a cash and cash equivalents balance of Kshs.398,529 as disclosed in Note 12 to the financial statements. However, the bank reconciliation statement for the month of June, 2023 reflects stale cheques amounting to Kshs.182,665 which had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.398,529 could not be confirmed.

#### **2. Inaccuracy in Use of Goods and Services Expenditure**

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.7,262,309 in respect of use of goods and services. This amount includes Kshs.82,020 relating to fuel, oil and lubricants. However, the amount excludes an expenditure of Kshs.30,000 incurred on 13 June, 2023 on supply of fuel products.

In the circumstances, accuracy and completeness of the expenditure of Kshs.82,020 on fuel, oil and lubricants could not be confirmed.

#### **3. Unsupported Other Receipts**

The statement of receipts and payments reflects other receipts amount of Kshs.548,000 in respect of other receipts as disclosed in Note 3 to the financial statements. However, the amount was not supported by receipts and ledgers.



In the circumstances, the accuracy and completeness of other receipts amounting to Kshs.548,000 could not be confirmed.

#### **4. Unsupported Project Management Committee Bank Account Balances**

Note 19.4 to the financial statements reflects a bank balance of Kshs.5,022,908 in respect of Project Management Committee (PMC) as disclosed in Annex 5. The balance comprises amounts held by Project Management Committees in sixty-six (66) bank accounts. However, bank reconciliation statements, bank statements, certificates of bank balances and cash book extracts were not provided for audit. In addition, the amount includes balances in forty (40) bank accounts totalling Kshs.197,107 which have remained the same since the previous financial year (2021/2022). No explanation was provided why the dormant bank account balances were not returned to the main constituency account.

In the circumstances, accuracy and completeness of the PMC bank account balances of Kshs.5,022,908 could not be confirmed.

#### **5. Lack of Land Ownership Document**

Review of asset records revealed amounts of Kshs.500,000 and Kshs.2,150,00 in respect of fencing of Mundika chief's office land and purchase of Saint Michael Buyende school four and half (4.5) acres land respectively. However, title deeds of the two pieces of land were not provided for audit verification.

In the circumstances, ownership and security of land 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 - Matayos 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.

#### **Emphasis of Matters**

##### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.192,143,347 and Kshs.91,418,866 respectively, resulting to an under-funding of Kshs.100,724,481 or 52% of the actual budget.

Similarly, the Fund spent Kshs.91,568,337 against actual receipts of Kshs.91,418,866 resulting to an over-utilization of Kshs.149,471 of actual receipts.

The under-funding and over-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter

### **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**

### **Unresolved Prior Year Audit Matters**

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Management indicated that some of the issues had been resolved, but no evidence was provided to support this status.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness of in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Delayed in Completion of St. Stephen's Lwanya Girls Secondary School**

The statement of receipts and payments reflects an amount of Kshs.14,815,618 in respect of transfers to other Government units which, as disclosed in Note 7 to the financial statements, includes Kshs.10,250,000 transferred to secondary schools for implementation of development projects. The later amount includes amount of Kshs.5,000,000 transferred to St. Stephen's Lwanya secondary school for completion of an administration block.

The school awarded a contract to a local contractor on 25 November, 2021 for the construction of the administration block at a contract sum of Kshs.35,284,255 and at a contract period of fifty-two (52) weeks commencing on 13 December, 2021 and scheduled to be completed on 13 December, 2022. However, audit inspection carried out on 18



March, 2024 revealed that the project was incomplete although the contract period had elapsed. As at the inspection date, the project was estimated to be sixty (60) percent complete while amount of Kshs.35,284,255 or 100% of the contract sum had been paid to the contractor.

In the circumstance, value for money incurred on the project of Kshs.35,284,255 could not be confirmed.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 controls, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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



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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not



reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a time period by employees in the normal course of performing their assigned functions.

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 May, 2024



*Matayos Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*

**9. Statement of Receipts and Payments for the Year Ended 30th June 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	57,000,000	174,838,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	548,000	-
<b>TOTAL RECEIPTS</b>		<b>57,548,000</b>	<b>174,838,879</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,702,010	7,203,911
Committee expenses	5	1,167,700	2,095,410
Use of goods and services	6	7,262,309	6,445,777
Transfers to Other Government Units	7	14,815,618	89,119,494
Other grants and transfers	8	65,202,700	62,139,634
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	418,000	-
Other Payments	11	-	-
<b>TOTAL PAYMENTS</b>		<b>91,568,337</b>	<b>167,004,226</b>
<b>SURPLUS/(DEFICIT)</b>		<b>(34,020,337)</b>	<b>7,834,653</b>

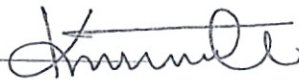
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 21<sup>st</sup> September, 2023 and signed by:



Fund Account Manager

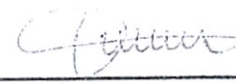
Name: KEVIN O. MCAKECH



National Sub-County  
Accountant

Name: Kennedy O. OLUOCH

ICPAK M/No: 24101



Chairman NG-CDF Committee

Name: STEPHEN RONALD  
OJWANG


*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**10. Statement Of Assets and Liabilities As At 30th June, 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances (as per the cash book)	12A	398,529	34,418,866
Cash Balances (cash at hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>398,529</b>	<b>34,418,866</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>398,529</b>	<b>34,418,866</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>NET FINANCIAL SSETS</b>		<b>398,529</b>	<b>34,418,866</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	34,418,866	26,884,208
Prior year adjustments	16	-	-
Surplus / Deficit for the year		-34,020,337	7,534,658
<b>NET FINANCIAL POSITION</b>		<b>398,529</b>	<b>34,418,866</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

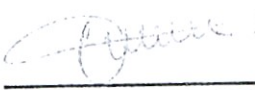
The Constituency financial statements were approved by NG CDFC on 21<sup>st</sup> September, 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager

Name: Kevin O. McAkech

  
\_\_\_\_\_  
National Sub-County  
Accountant

Name: Kennedy O. Oluoch  
ICPAK M/No: 24101

  
\_\_\_\_\_  
Chairman NG-CDF Committee

Name: Stephen Ronald Ojwang



11. Statement Of Cash Flows for The Year Ended 30th June 2023

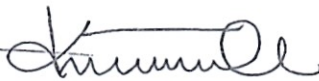
		2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	57,000,000	174,838,879
Other Receipts	3	548,000	-
		<b>57,548,000</b>	<b>174,838,879</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	2,702,010	7,203,911
Committee expenses	5	1,167,700	2,095,410
Use of goods and services	6	7,262,309	6,445,777
Transfers to Other Government Units	7	14,815,618	89,119,494
Other grants and transfers	8	65,202,700	62,139,634
Oversight Committee Expenses	10	418,000	-
Other Payments	11	-	-
		<b>91,568,337</b>	<b>167,004,255</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
<b>Net Adjustments</b>		<b>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>-34,020,337</b>	<b>7,534,658</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	12	<b>34,418,866</b>	<b>26,884,208</b>
<b>Cash and cash equivalent at END of the year</b>		<b>398,529</b>	<b>34,418,866</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

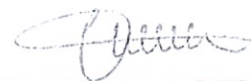
The Constituency financial statements were approved by NG CDFC on 21<sup>st</sup> September, 2023 and signed by:



**Fund Account Manager**  
Name: Kevin O. Mcakech



**National Sub-County Accountant**  
Name: Kennedy O. Oluoch  
ICPAK M/No: 24101



**Chairman NG-CDF Committee**  
Name: Stephen Ronald Ojwang



12. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c%
RECEIPTS	2022-2023	Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements	2022-2023			
Transfers from NG-CDF Board	145,087,603	34,418,866	12,088,878	191,595,347	91,418,866	100,176,481	48%
Proceeds from Sale of Assets				-	-	-	
Other Receipts		548,000		548,000		548,000	0%
<b>TOTAL RECEIPTS</b>	<b>145,087,603</b>	<b>34,966,866</b>	<b>12,088,878</b>	<b>192,143,347</b>	<b>91,418,866</b>	<b>100,724,481</b>	<b>48%</b>
PAYMENTS							
Compensation of Employees	1,448,178	2,255,013	-	3,703,191	2,702,010	1,001,181	73%
Committee expenses	3,204,000	1,494,396	-	1,709,604	1,167,700	541,904	68%
Use of goods and services	7,538,906	574,536	-	8,113,442	7,262,309	851,133	90%
Transfers to Other Government Units	43,644,121	18,242,926	1,646,021	63,533,068	14,815,618	48,717,450	23%
Other grants and transfers	60,696,190	14,340,787	8,442,857	83,479,834	65,202,700	18,277,134	78%
Acquisition of Assets	2,030,054		-	2,030,054	-	2,030,054	0%
Oversight Committee Expenses	1,300,000	500,000	-	1,800,000	418,000	1,382,000	23%
Other Payments	2,000,000		2,000,000	4,000,000	-	4,000,000	0%
UNALLOCATED FUND	23,226,154	548,000		23,774,154		23,774,154	0%
<b>TOTAL</b>	<b>145,087,603</b>	<b>34,966,866</b>	<b>12,088,878</b>	<b>192,143,347</b>	<b>91,568,337</b>	<b>100,575,010</b>	<b>48%</b>



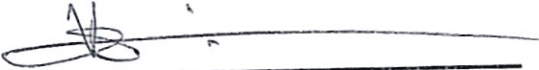
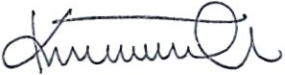
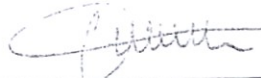
*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**Explanatory Notes.**

*Transfers for the NGCDF Board was at 48% due to delayed disbursement from the ex-chequer.  
Compensation of employees is at 73% because the committee did not engage staff.  
Transfer tot other government units 23% because of delayed ex-chequer releases.*

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	100,575,010
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	100,176,481
	398,529
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	398,529

The Constituency financial statements were approved by NG CDFC on 21<sup>st</sup> September, 2023 and signed by:

		
_____ <b>Fund Account Manager</b>	_____ <b>National Sub-County Accountant</b>	_____ <b>Chairman NG-CDF Committee</b>
<i>Name: Kevin O. McAkech</i>	<b>Name: Kennedy O. Oluoch</b> <b>ICPAK M/No: 24101</b>	<b>Name: Stephen Ronald Ojwang</b>

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**13. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2023**

Programme/Sub-programme	Original Budget(a) 2022-2023	Adjustments(b)		Final Budget c = (a+b) Kshs	Actual on comparable basis(d) Kshs	Budget utilization difference(e = c-d) Kshs
		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	1,448,178	2,255,013		3,703,191	2,702,010	1,001,181
1.2 Committee allowances	1,178,000	322,096		855,904	837,700	18,204
1.3 Use of goods and services	5,620,906	1,071,164		4,549,742	3,939,109	610,633
<b>Total</b>	<b>8,247,084</b>	<b>861,753</b>	<b>-</b>	<b>9,108,837</b>	<b>7,478,819</b>	<b>1,630,018</b>
<b>2.0 Monitoring and evaluation</b>						<b>-</b>
2.1 Capacity building	700,000	1,645,700		2,345,700	1,651,800	693,900
2.2 Committee allowances	1,376,000	1,172,300		203,700	190,000	13,700
2.3 Use of goods and services	1,868,000			1,868,000	1,811,400	56,600
<b>Total</b>	<b>3,944,000</b>	<b>473,400</b>	<b>-</b>	<b>4,417,400</b>	<b>3,653,200</b>	<b>764,200</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	2,200,000	2,250,000		4,450,000	4,450,000	-
3.2 Secondary schools	1,650,000	1,386,000		3,036,000	3,036,000	-
3.3 Tertiary institutions				-	-	-
3.4 Security projects				-	-	-



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

3.5 Unutilised	3,786,190	1,592,100		5,378,290		5,378,290
<b>Total</b>	<b>7,636,190</b>	<b>5,228,100</b>	-	<b>12,864,290</b>	<b>7,486,000</b>	<b>5,378,290</b>
<b>4.0 Bursary and Social Security</b>						
4.1 Secondary Schools	35,500,000	6,200,000		41,700,000	41,621,000	79,000
4.2 Tertiary Institutions	12,000,000	2,007,000		14,007,000	13,995,700	11,300
4.3 Social Security			6,000,000	6,000,000		6,000,000
4.4 Special Needs	500,000			500,000	-	500,000
<b>Total</b>	<b>48,000,000</b>	<b>8,207,000</b>	<b>6,000,000</b>	<b>62,207,000</b>	<b>55,616,700</b>	<b>6,590,300</b>
<b>5.0 Sports</b>						
5.1	300,000			300,000		300,000
5.2	2,500,000	400		2,500,400		2,500,400
<b>Total</b>	<b>2,800,000</b>	<b>400</b>	-	<b>2,800,400</b>	-	<b>2,800,400</b>
<b>6.0 Environment</b>						
7.1 Mundika Girls Primary School	80,000			80,000		80,000
7.2 Khuduru Primary School	80,000			80,000		80,000
7.3 Nasira Secondary School	80,000			80,000		80,000
7.4 Mayenje Primary School	80,000			80,000		80,000
7.5 Igero Secondary School	80,000			80,000		80,000
7.6 Bugengi Primary School	80,000			80,000		80,000

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

7.7 St.Mathias Secondary School	80,000			80,000		80,000
7.8 Muyafwa Secondary School	80,000			80,000		80,000
7.9 Mabunge Secondary School	80,000			80,000		80,000
7.10 Lukonyi Boys Primary School	80,000			80,000		80,000
7.11 Burumba Secondary School	80,000			80,000		80,000
7.12 Munongo Primary School	80,000			80,000		80,000
7.13 Buyosi, Mayenje, Bulanda,Lwanya,Igero, Buyaswa,Khuduru,Mundika,Burumba,Lukonyi Primary and St.Mathias,Mabunge Secondary Schools	-	505,287	694,713	1,200,000	1,200,000	-
<b>Total</b>	<b>960,000</b>	<b>505,287</b>	<b>694,713</b>	<b>2,160,000</b>	<b>1,200,000</b>	<b>960,000</b>
<b>7.0 Primary Schools Projects</b>						
8.1 Mundika Girls Primary School	780,000	-		780,000		780,000
8.2 Bugengi Primary School	1,000,000	-		1,000,000		1,000,000
8.3 Lwanya Primary School	880,204	-		880,204		880,204
8.4 Busidibu Primary School	550,000	900,000		1,450,000	900,000	550,000
8.5 Nasira A.C Primary School	500,000	600,000		1,100,000	600,000	500,000
8.6 Lukonyi Primary School	550,000	900,000		1,450,000	900,000	550,000
8.7 Buyende Primary School	1,782,916	-		1,782,916		1,782,916
8.8 Busendebala Primary School	700,000	1,265,618		1,965,618	1,265,618	700,000



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

8.9 Khuduru Primary School	550,000	900,000		1,450,000	900,000	550,000
8.10 Bulanda Primary School	1,200,000	-		1,200,000		1,200,000
8.11 Bukalama Primary School	800,000	-		800,000		800,000
<b>Total</b>	<b>9,293,120</b>	<b>4,565,618</b>	<b>-</b>	<b>13,858,738</b>	<b>4,565,618</b>	<b>9,293,120</b>
<b>8.0 Secondary Schools Projects</b>						<b>-</b>
9.1 Budokoni Secondary School	3,000,000	1,500,000		4,500,000	1,500,000	3,000,000
9.2 Bulanda Secondary School	50,000	-		50,000		50,000
9.3 Lwanya Secondary School	8,284,255	1,673,329		9,957,584	5,000,000	4,957,584
9.4 Mundika Secondary School	1,833,216	7,100,000		8,933,216	1,000,000	7,933,216
9.5 Mundika Secondary School	7,120,535			7,120,535		7,120,535
9.6 Mundika Secondary School	11,708,304			11,708,304		11,708,304
9.7 Bulanda Secondary School	-	653,979	1,646,021	2,300,000		2,300,000
9.8 Busende Secondary School	-	600,000		600,000	600,000	-
9.9 Buyende Secondary School	-	2,150,000		2,150,000	2,150,000	-
9.10 Buyosi Secondary School	-	-				
<b>Total</b>	<b>31,996,310</b>	<b>13,677,308</b>	<b>1,646,021</b>	<b>47,319,639</b>	<b>10,250,000</b>	<b>37,069,639</b>
<b>9.0 Tertiary institutions Projects</b>						<b>-</b>

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

10.1 Daniel Wako TTI	2,053,731			2,053,731		2,053,731
10.2 Daniel Wako TTI	300,960			300,960		300,960
<b>Total</b>	<b>2,354,691</b>	-	-	<b>2,354,691</b>	-	<b>2,354,691</b>
<b>10.0 Security Projects</b>				-		-
11.1 Assistant Chief's Office Mabunge	700,000	-		700,000		700,000
11.2 Chief's Office Nangoma	600,000			600,000		600,000
11.3 Burumba Police Post		400,000		400,000	400,000	-
11.4 Bukhayo West Chief's Office		-	1,748,144	1,748,144		1,748,144
11.5 Korinda Police Station	-	-		-		-
11.6 Matayos Police Division	-	-		-		-
11.7 Maduwa Police Post	-	-		-		-
<b>Total</b>	<b>1,300,000</b>	<b>400,000</b>	<b>1,748,144</b>	<b>3,448,144</b>	<b>400,000</b>	<b>3,048,144</b>
<b>11.0 Acquisition of assets</b>				-		-
12.1 Matayos NG-CDF Office (Renovation)	1,700,054			1,700,054		1,700,054
12.2 Matayos NG-CDF Office(Yamaha Motor Cycle)	330,000			330,000	-	330,000
	-			-	-	-
	-			-	-	-
<b>Total</b>	<b>2,030,054</b>	-	-	<b>2,030,054</b>	-	<b>2,030,054</b>



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

12.0 Oversight Committee Expenses (itemize)				-		-
	210,000			210,000		210,000
	650,000		-	650,000	418,000	232,000
	440,000		-	440,000	-	440,000
	-		-	-		
<b>Total</b>	<b>1,300,000</b>	<b>-</b>	<b>-</b>	<b>1,300,000</b>	<b>418,000</b>	<b>882,000</b>
13.0 Other payments				-		-
13.1 Strategic Plan-Matayos	2,000,000					
13.2 Assistant Chief's Office Mundika	-	500,000		500,000	500,000	-
<b>Total</b>	<b>2,000,000</b>	<b>500,000</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>
14.0 unallocated fund						
Unapproved projects	23,226,154			23,226,154		23,226,154
AIA		548,000		548,000		548,000
PMC savings				-		
<b>Total</b>	<b>23,226,154</b>	<b>548,000</b>	<b>2,000,000</b>	<b>25,774,154</b>	<b>-</b>	<b>25,774,154</b>
	<b>145,087,603</b>	<b>34,966,866</b>	<b>12,088,878</b>	<b>190,143,347</b>	<b>91,568,337</b>	<b>100,575,010</b>

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury.

#### **14. 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-Matayos 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.



*Significant Accounting Policies continued*

**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.

*Significant Accounting Policies continued*

**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.



*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**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 30<sup>th</sup> June 2023 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 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.



*Significant Accounting Policies Continued*

**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 30<sup>th</sup> June 2023.

**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.

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**15. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE NO. B 105205		33,000,000
AIE NO. B105508		44,000,000
AIE NO. B 105865		22,000,000
AIE NO. B 128616		5,000,000
AIE NO. B 128929		12,000,000
AIE NO. B 154126		12,000,000
AIE NO. B 164357		18,000,000
AIE NO. B 155888	-	10,088,879
AIE NO. A 888981	-	800,000
AIE NO. A 888960	-	3,950,000
AIE NO. B 185170	7,000,000	14,000,000
AIE NO. B 206266	26,000,000	
AIE NO. B 206472	12,000,000	
AIE NO. B 205817	12,000,000	
0		
<b>TOTAL</b>	<b>57,000,000</b>	<b>174,838,879</b>

**2. Proceeds From Sale of Assets**

Description	2022-2023	2021-2022
	Kshs	Kshs
Receipts from the Sale of Buildings		-
Receipts from the Sale of Vehicles and Transport Equipment		-



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Receipts from the Sale Plant Machinery and Equipment		-
Receipts from the Sale of Office and General Equipment		-
<b>TOTAL</b>	-	-

**3. Other Receipts**

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs		
Other Receipts Not Classified Elsewhere (specify)	548,000	-
<b>TOTAL</b>	<b>548,000</b>	-

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,741,352	4,239,120
<b>Personal allowances paid as part of salary</b>		
House Allowance	-	
Transport Allowance	-	
Leave allowance	-	
Gratuity to contractual employees	880,578	2,505,911
Employer Contributions Compulsory national social security schemes	34,080	305,280
National Hospital Insurance Fund	46,000	153,600
<b>Total</b>	<b>2,702,010</b>	<b>7,203,911</b>

**5. Committee Expenses**

Description	2022-2023	2021-2022
	Sitting Allowance	1,027,700
Other committee expenses	140,000	1,381,309
<b>TOTAL</b>	<b>1,167,700</b>	<b>2,095,410</b>

Committee Expenses amounting to Kshs.2,095,410 relating to the 2021-2022 Financial year had been reported under Use of Goods and services in the Financial Statements relating to the 2021/2022 Financial Year, and have now been reclassified and reported separately to improve comparability of the committee expenses.



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	2,934,496	20,000
Communication, supplies and services	206,170	
Domestic travel and subsistence	355,400	-
Printing, advertising and information supplies & services	85,000	697,603
Rentals of produced assets	-	-
Training expenses	1,651,800	2,602,270
Hospitality supplies and services	294,800	-
Insurance costs	7,574	-
Specialised materials and services	208,800	895,600
Office and general supplies and services	802,800	
Fuel , oil & lubricants	82,020	712,500
Other operating expenses	334,000	-
Bank Charges	19,649	-
Security operations	-	
Routine maintenance - vehicles and other transport equipment	229,800	1,389,704
Routine maintenance- other assets	50,000	128,100
<b>TOTAL</b>	<b>7,262,309</b>	<b>6,445,777</b>

The comparative amount of Kshs.6,445,777 relating to 2021/2022 Financial Year differs with the audited amount of Kshs.2,068,410 for the year due to reclassification of the committee expenses now reported under Note 5 to the financial statements.

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

*Notes To the Financial Statements (Continued)*

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	4,565,618	10,884,290
Transfers to Secondary Schools	10,250,000	75,067,254
Transfers to Tertiary Institutions	-	3,167,950
<b>TOTAL</b>	<b>14,815,618</b>	<b>89,119,494</b>

**8. Other Grants and Other transfers**

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	41,621,000	44,453,500
Bursary -Tertiary (see attached list)	13,995,700	7,585,323
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	900,000	1,959,791
Sports Projects (see attached list)	-	2,999,600
Environment Projects (see attached list)	1,200,000	1,199,880
Emergency Projects (see attached list)	7,486,000	3,941,540
Roads Projects	-	-
<b>TOTAL</b>	<b>65,202,700</b>	<b>62,139,634</b>



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

*Notes To the Financial Statements (Continued)*

**9. Acquisition Of Assets**

<b>Non-Financial Assets</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
<b>TOTAL</b>	-	-

**10. Oversight Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	418,000	-
Other COC expenses	-	-
<b>TOTAL</b>	418,000	-

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**11. Other Payments**

	2022-2023	2021-2022
	Kshs	Kshs
Strategic Plan	-	-
ICT Hubs	-	-
		-
<b>TOTAL</b>	-	-



**Matayos Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

**12. Cash Book Bank Balance**

Name of Bank, Account No. & currency	2022-2023	2021-2022
	Kshs	Kshs
Equity Bank, Busia Branch, Matayos NG-CDF/A/c 0780266047486	398,529	34,418,866
<b>TOTAL</b>	<b>398,529</b>	<b>34,418,866</b>
<b>12B: CASH IN HAND)</b>		
	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**13. Outstanding Imprests**

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

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

*Notes to the Financial Statement Continued*

**14. Retention and Gratuity**

<b>14 A. Retention</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

<b>14 B. Gratuity</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	0	-
Gratuity held during the year (B)	880,578	-
Gratuity paid during the Year (C)	880,578	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	0	-

**15. Fund Balance B/F**

	<b>(1<sup>st</sup> July 2022)</b>	<b>(1<sup>st</sup> July 2021)</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	34,418,866	26,884,208
Cash in hand	-	-
Imprest	-	-
Total	34,418,866	26,884,208
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	-	-



## 16. Prior Year Adjustments

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

## 17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

## 18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

*Matayos Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*

*Notes To the Financial Statements (Continued)*

**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	-	-

**19.2: Pending Staff Payables (See Annex 2)**

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	-

**19.3: Unutilized Fund (See Annex 3)**

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	1,001,181	1,410,013
Use of goods and services	1,393,037	168
Amounts due to other Government entities (see attached list)	48,717,450	26,036,059
Amounts due to other grants and other transfers (see attached list)	18,277,134	19,061,500
Acquisition of assets	2,030,054	
Oversight Committee Expenses	1,382,000	
Others ( <i>specify</i> )	4,000,000	-
Funds pending approval	23,774,154	
<b>Total</b>	<b>100,575,010</b>	<b>46,507,740</b>

**18.4: PMC account balances (See Annex 5)**

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	5,022,908	4,093,447
<b>Total</b>	<b>5,022,908</b>	<b>4,093,447</b>



16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees	payment of staff salary	1,001,181	1,413,443	
Use of goods & services	To cater for office expenses	1,393,037	168	
<b>Amounts due to other Government entities</b>				
8.1 Mundika Girls Primary School	Renovation to completion of 4 no. classrooms: tiling electrical works and paintint	780,000		
8.2 Busendebala Primary School	Completion of three classrooms flooring, tiling, glazing, electrical works, and painting to completion		1,265,618	
8.2 Bugengi Primary School	Renovation to completion of 5 No. classrooms: electrical works and Painting	1,000,000		
8.3 Lukonyi Boys Primary School			900,000	
8.4 Lwanya Primary School	Renovation to completion of 5 no. classrooms: tiling, electricals works and painting	880,204		
8.5 Nasira A.C Primary School			600,000	
8.6 Busidibu Primary School	Additional funds for the completion of construction of one classroom: plastering, tiling and painting	550,000		
8.7 Lwanya Girls Secondary			5,000,000	
8.8 Nasira A.C Primary School	Additional funds for the completion of renovation of 4 no. classrooms: tiling and painting	500,000		

*Moyos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
8.9 Busudibu Primary School			900,000	
8.10 Lukonyi Primary School	Additional funds for the completion of construction of one classroom: fixing roof doors and windows, plastering, tiling, electrical works and painting	550,000		
8.11 Khuduru Primary School	Construction of one classroom fixing of doors and windows, plastering, fixing of doors and windows, painting and tiling		900,000	
8.12 Buyende Primary School	Additional funds for the completion of renovation of 6 no. classrooms: re-roofing, fixing of doors and windows, plastering, and painting	1,782,916		
8.13 Budokomi Secondary School	Construction of a 100capacity laboratory from slab to roofing		1,500,000	
8.14 Busendebala Primary School	Additional funds for the completion of 3 no. classrooms: re-roofing, fixing of doors and windows, plastering and painting	700,000		
8.15 Bulanda Secondary School	Renovation of 4 classrooms to completion labour-based flooring, plastering, fixing of windows, doors and painting to completion	2,300,000	2,300,000	
8.16 Khuduru Primary School	Additional funds for the completion of construction of one classroom: Plastering, fixing of doors and windows, tiling and painting	550,000		



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
8.17 Buyende Secondary School	Balance to complete purchase of 4.5-acre land and title processing		4,300,000	
8.18 Bulanda Primary School	Additional funds for the completion of renovation of 4 no. classrooms: fixing of Doors and windows, Plastering and Painting	1,200,000		
8.19 Buyosi Secondary School	Purchase of one acre land for school expansion and title processing		1,000,000	
8.20 Bukalama Primary School	Completion of Construction one classroom in co-funding with parents Teachers Association: Plastering, tiling, installation of electricity, Installation of windows and doors and painting	800,000		
8.21 Mundika Secondary School	Construction of a 2000 capacity Multipurpose Hall Consisting of Dining /conference hall, kitchen, 2 offices and 3 stores 1; slab and columns		7,100,000	
9.1 Budokomi Secondary School	Additional funds for the completion of construction of 100 capacity Laboratory: Roofing, fixing of doors and windows, electrical works, plastering and painting	3,000,000		
9.2 Dr.Daniel Wako Technical & Vocational	Construction of a 100-dining hall to walling		(236,900)	
9.3 Bulanda Secondary School	Additional funding for the completion of Purchase of 1	50,000		

**Munyonyo Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
	acre of land title processing fees			
9.4 Lwanyanya Secondary School	Additional funds for the completion of construction of a storey Administration Block consisting of 5 offices, staff room, computer room with capacity of 40 students and a library: fixing of ceiling board installation of gutters, tiling, painting, fittings, electrical works, plumbing works, fixing of windows and doors, plastering and painting	4,918,057		
9.5 Mundika Secondary School	Additional funds for the completion of construction of a 2000 capacity multi-purpose hall consisting of dining/conference hall, kitchen, 2 offices and 3 stores: roofing, fixing of windows and doors, electrical works, plumbing works, plastering and painting	7,933,216		
9.6 Mundika Secondary School	Additional funds for the completion of construction of an administration bloc paving slabs, installation of ceiling, water gutters, fixing of doors and windows, flooring, tiling, electrical works, plumbing and Painting	7,120,535		
9.7 Mundika Secondary School	Construction to completion of a ramp (15m by 3m)@	11,708,304		



*Matayos Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2023*

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
	Kshs.1,235,945,a septic tank 12*4m*3m(13.2m by 4.6m slating)@Kshs.3,258,740.a kitchen(134sq m)@Kshs.2,616,690,Electrical works@ Kshs.471,595 and landscaping(1 acre) for the 2000 capacity multi-purpose all@Kshs3,550,510			
	<b>Sub-Total</b>	<b>48,717,450</b>	<b>26,036,059</b>	
	<b>Amounts due to other grants and other transfers</b>			
10.1 Burumba Police Post	Completion of office consisting of 6 units Plastering, flooring, glazing, electrical works and painting to completion		400,000	
10.2 Mundika Assistant Chief			500,000	
10.3 Korinda Police Station	Additional funds for construction of oKrinda police station consisting of two offices and two cells walling, roofing and fixing of windows and doors		4,200,000	
10.4 Bukhayo West Chief's Office	Completion of Administration police line consisting of 10 units of security staff and one office in charge house-plastering, flooring, glazing, electrical works, and painting to completion		1,748,000	
10.5 Assistant Chief Office Mabunge	Completion of chief's office consisting of two offices and		1	

**Moyos Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
	Boardroom Plastering, flooring, glazing, electrical works and painting to completion			
6.0 Environment				
7.1 Mundika Girls Primary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.2 Khuduru Primary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.3 Nasira Secondary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.4 Mayenje Primary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.5 Igero Secondary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.6 Bugengi Primary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.7 St. Mathias Secondary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.8 Muyafwa Secondary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.9 Mabunge Secondary School	Purchase and planting of 800 tree seedlings(Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.10 Lukonyi Boys Primary School	Purchase and planting of 800 tree seedlings (Blue gum tree seedlings) 2 Kshs.100.00	80,000		



*Matayos Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2023*

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
7.11 Burumba Secondary School	Purchase and planting of 800 tree seedlings (Blue gum tree seedlings) 2 Kshs.100.00	80,000		
7.12 Munongo Primary School	Purchase and planting of 800 tree seedlings (Blue gum tree seedlings) 2 Kshs.100.00	80,000		
4.0 Bursary				
4.1 Secondary Schools	Payment of Bursary to needy students in secondary schools and tertiary institutions	6,790,000		
4.2 Tertiary Institutions	Payment of Bursary to needy students in secondary schools and tertiary institutions	1,226,734		
4.3 Social Security	Towards provision of medical insurance cover for vulnerable families including Orphans and vulnerable children (OCV's)poor older persons, persons with Disabilities and destitute families in partnership with NHIF as shall be identified within the constituency for 1,000 beneficiaries each at Kshs.6,000	6,000,000	6,000,000	
4.4 Special Needs		500,000		
5.0 Regional Sports Tournament	Facilitation of regional sports tournament in partnership with other Constituencies within the region	300,000		
5.1 Sport Activities	To carry out a constituency sports tournament where the winning teams will be awarded	2,500,400		

Munayoy Constituency  
 National Government Constituencies Development Fund (NGCDF)  
 Annual Report and Financial Statements for The Year Ended June 30, 2023

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
	with balls, uniform and trophies (Regional tournament)			
	Sub-Total	18,277,134	19,061,500	
	Acquisition of assets	2,030,054		
	Oversight Committee Expenses(itemize)	1,382,000		
	Others (specify) Strategic plan	2,000,000		
	REREC	2,000,000		
	Sub-Total	76,750,856		
	Unutilised		5,007,413	
	Funds pending approval	23,774,154	19,061,500	
	Grand Total	100,575,010.00	46,507,740	



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**Annex 4 – Summary of Fixed Asset Register**

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	1,200,000	-	-	1,200,000
Buildings and structures	23,823,780	-	-	23,823,780
Transport equipment	4,500,000	-	-	4,500,000
Office equipment, furniture and fittings	3,537,225	-	-	3,537,225
ICT Equipment, Software and Other ICT Assets	1,538,995	-	-	1,538,995
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>34,600,000</b>	<b>-</b>	<b>-</b>	<b>34,600,000</b>

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

**Annex 5 – PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
			4,015	4,015
Khuduru Primary School	KCB Bank	1201412129		
Lwanya Primary School	KCB Bank	1146746466	3,707	21,848
Mundika Boys Primary School	KCB Bank	1146745567	1,968	1,968
St. Joseph Girls Primary School	KCB Bank	1280238860	3	3
Buyosi Secondary School	KCB Bank	1279392223	0	523
Mabunge Secondary School	KCB Bank	1209076608	2,239	3,556
Mayenje Secondary School	KCB Bank	1176735683	3,034	3,034
Our Lady Of Mercy Secondary School	KCB Bank	1264226020	95,482	97,612
Murende Secondary School	KCB Bank	11529343309	0	0
St. Peters Budokomi Sec School	KCB Bank	1174535342	1	
Bugengi Primary School	Equity Bank	780299213792	31,686	410,230
Bugengi Special School	Equity Bank	780279211346	900	900
Burumba Primary School	Equity Bank	780261655459	5,354	5,354
Busendebala Primary School	Equity Bank	780279227905	35,645	81,827
Busibwabo Primary School	Equity Bank	780279210139	0	0
Busidibu Special School	Equity Bank	780279234066	1,729	1,729
Busidibu Primary School	Equity Bank	780279210139	0	0
Buyama Primary School	Equity Bank	780279226591	430	430
Esikulu Primary School	Equity Bank	780279219776	3,480	3,480



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Igero Primary School	Equity Bank	780280952616	1,705	1,705
Indoli Primary School	Equity Bank	780280704618	2,070	2,070
Lukonyi Primary School	Equity Bank	780279647087	2,360	960
Luliba Primary School	Equity Bank	780279233038	470	470
Lunga Primary School	Equity Bank	780278696288	3,620	3,620
Lwanya Special School	Equity Bank	780200210029	1,840	1,840
Mabale Primary School	Equity Bank	780261655215	9,590	9,590
Mabunge Primary School	Equity Bank	780280929096	7,012	7,012
Mujuru Primary School	Equity Bank	780279531654	1,230	1,230
Mundulusia Primary School	Equity Bank	780279223226	3,380	3,380
Murende Primary School	Equity Bank	780280919012	1,620	1,620
Nambere Primary School	Equity Bank	780270362773	27	27
Nasewa Primary School	Equity Bank	780279718812	1,244	1,244
Nasira A.C Primary School	Equity Bank	780280992564	19,824	19,824
Siteko Primary School	Equity Bank	780279210357	1,853	1,853
St. Eugene Primary School	Equity Bank	780280258537	1,620	1,620
Busende Secondary School	Equity Bank	780280957202	600,294	294
Buyende Secondary School	Equity Bank	780279767064	3,149,703	999,703
Igero Secondary School	Equity Bank	780279226695	3,216	3,216
Assistant Chief Mujini	Equity Bank	780261655312	704	704

*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
			3,724	3,724
Assistant Chiefs Office Lunga	Equity Bank	780196054392		
Assistant Chiefs Office Murende	Equity Bank	780279773368	2,333	82,933
Bugengi Ass Chief Office	Equity Bank	780279812064	6	6
Bukhayo West Chiefs Office	Equity Bank	780261655272	0	0
Burumba Police Post	Equity Bank	780278210039	82,695	2,195
DCC Matayos Pmc	Equity Bank	780279713751	988	988
Lwanya Chiefs Office	Equity Bank	780279226778	520	520
Dr. Daniel Wako TTI	Equity Bank	780279492531	75,907	75,907
St.Paul Mabunge Sec School	Equity Bank	0780279235110	580	0
St. Jude Nangoma Secondary	Equity Bank	78027754327	51,591	0
Khuduru Primary School	Equity Bank	780279223002	2,440	0
Khuduru primary School	Equity Bank	780279223003	0	0
Lwanya Girls Secondary School	Family Bank	79000025712	466,361	553,791
Esirisia Primary School	Family Bank	79000025408	514	514
Buyende Primary School	Family Bank	79000025488	169	169
Mundika Special School	Family Bank	79000025410	0	20
Nang'oma Primary School	Family Bank	79000027123	4,189	4,189
Nasira Primary School (R.C)	Family Bank	79000025405	0	384
Alungoli Primary School	National Bank	1242037192700	0	3,515
Buderie Primary School	National Bank	1242038202200	620	620



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Bukalama primary School	National Bank	1022036652600	0	22,354
Bulanda Primary School	National Bank	1242037196700	8,164	8,163
Buringala Primary School	National Bank	1242037194300	358	239,158
Mayenje Primary School	National Bank	1022037199400	12,058	12,058
Mundika Girls Primary School	National Bank	1047036524600	70	70
Muyafwa Primary School	National Bank	1022036903800	2,205	2,205
Siwongo Primary School	National Bank	1047018009800	8,552	17,201
Mundika Secondary School	National Bank	1242037199300	25,514	36,254
Esirisia Secondary School	National Bank	1242037613800	1,071	1,071
St. Matias Secondary School	National Bank	1242037200600	89,537	888,174
Lunga Secondary School	National Bank	1242037680601	2,287	2,287
St Augustine Nasira Secondary School	National Bank	1021036760200	1,080	-
St Jude Nangoma Secondary School	National Bank	1242038172501	-	2,088
Mabunge Assistant. Chiefs Office	National Bank	1021230745900	127	2,813
St. Mary's Mundika High School	National Bank	1242037199300	25,532	3,636
Burumba Secondary School	Sidian Bank	1032030000135	137,453	0
Budokomi Secondary School	Sidian Bank	1032030000095	10,134	0
Alungoli Secondary School	Sidian Bank	10323000085	316	0
Bukomi Primary School	Co-op Bank	13923593570	2,760	
			<b>5,022,908</b>	<b>4,093,447</b>

**Annex 6: 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)
	Other Matter			
	1. Budgetary Control and Performance			
	<p>The summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2019 shows that the Fund had budgeted receipts of Kshs.199, 676,060 against actual receipts of Kshs.126, 008,337. This shows that the Fund had under-collection of receipts of Kshs.73, 667,723 or 37% of budgeted receipts.</p> <p>Further, during the year under review, the Fund had an approved expenditure budget of Kshs.199,676,060 against actual total expenditure of Kshs.124,017,606 resulting to an under absorption of Kshs.75,658,455 or 62% of the budgeted amount.</p> <p>The under-collection of receipts and under expenditure is an indication that services and approved projects/programmes were not delivered to the residents of Matayos Constituency and therefore the budget did not</p>	<p>The management did not receive the funding from the NGCDF Board</p>	Resolved	



*Matayos Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2023*

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)
	meet the intended objectives of improving the service delivery or the management may have over budgeted on its activities.			
	<b>Incomplete and Stalled Water Project at Daniel Wako Technical Training Institute</b>			
	<p>As disclosed in Note 4 to the financial statements, the statement of receipts and payments shows an amount of transfers to other government entities of Kshs.79, 689,364 which includes an expenditure on transfers to tertiary institutions totalling to Kshs.8, 627,197. Among the projects implemented by the Fund was the construction of an elevated water tank and community water kiosk at Dr. Daniel Wako Technical Training Institute at a total cost of Kshs.1, 746,092. However, a physical verification carried out, revealed that the water project had not been completed as expected with one water tank with a 10,000-liter capacity not installed, and the community water Kiosk had not been constructed.</p> <p>In the circumstances, it was not possible to ascertain whether value for money was achieved from the expenditure of Kshs.1, 746,092 on the project.</p>	<p>The management confirms that the water tank and the borehole were already installed and the kiosk constructed. The borehole developed some technical problems which the contractor will repair as the warranty period has not elapsed. The KPLC also is on the verge of connecting a 3 phase electrical supply. A follow-up has been done.</p>	Not Resolved	
	<b>Stalled Construction of an Administration Block at Mundika Secondary School</b>			

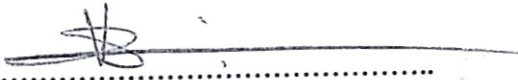
*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Further, included in the reported amount of transfers to other government entities of Kshs.79, 689,364 as disclosed in Note 4 to the financial statements is transfers to secondary schools totalling to Kshs.46, 054,707 for various projects. Among the projects being implemented by the Fund was the construction of an administration block at Mundika Secondary School at a contract sum of Kshs.32, 603,087. The contract commenced on 15 December, 2016 with no specified expected completion date. The contractor had been paid a total of Kshs.22, 558,042 and the last certificate was dated 03 January, 2020. However, a physical verification carried out and interviews with the relevant Fund officials, revealed that no construction works had been undertaken since January, 2020. It was also noted that there was no valid performance bond contrary to section 142 (1) of the Public Procurement and Asset Disposal Act, 2015 which states that subject to the regulations, a successful tenderer shall submit a performance security equivalent to not more than ten per cent of the contract amount before signing of the contract. In addition, it was noted that the contract did not have an enforceable contract duration.</p> <p>In circumstances, it was not possible to confirm whether the resources were applied in an effective, way and whether value for money was attained on the expenditure of Kshs.32, 603,087.</p>	<p>The management can confirm that the contractor is back on site. Further to this the contractor through the PMC has requested for a variation on claims that the scope was over the prescribe. A follow up with the relevant government institution is currently under way.</p>	<p>Resolved</p>	



*Matayos Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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)



Kevin O. McAkech  
Fund Account Manager.

RECEIVED  
FAC  
MAR 28 1953