

REPUBLIC OF KENYA



*Enhancing Accountability*

# REPORT

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PAPER NO. 14

DATE: 14 AUG 2024 WEDNESDAY

TABLED BY: HON. OWEN BAYA, MP  
DEPUTY LEADER OF THE  
MAJORITY PARTY

CLERK-AT-THE-TABLE: RUTHEN NJINDO ON

THE AUDITOR-GENERAL

## NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS WEST CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2023



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**MUMIAS WEST CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

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

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**I. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS- International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

NGCDFC- National Government Constituency Development Fund Committee

ARMC -Audit and Risk Management Committee

CBC- Competency Based Curriculum

AIE – Authority to Incur Expenditure

## **II. 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

### **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 Mumias West 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	Christine N. Muyaka
2.	Sub-County Accountant	Rose A. Ojwang
3.	Chairman NGCDFC	Idd Abbas Keya
4.	Member NGCDFC	Hawa Mumia

**(c) Fiduciary Oversight Arrangements**

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

Mumias West NGCDF Office Building  
P.O. Box 1087 - 50102  
Mumias - Bungoma Road  
MUMIAS, KENYA

**(e) Mumias West Constituency NGCDF Contacts**

Telephone: (254) 720334928  
E-mail: [cdfmumiaswest@ngcdf.go.ke](mailto:cdfmumiaswest@ngcdf.go.ke)  
Website: [www.cdfmumiaswest.go.ke](http://www.cdfmumiaswest.go.ke)

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

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**(f) Mumias West Constituency NGCDF Bankers**

Cooperative Bank of Kenya  
01141498664400  
Mumias Branch  
P. O. Box 905 - 50102  
Mumias, 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



### III. NG-CDFC Chairman's Report



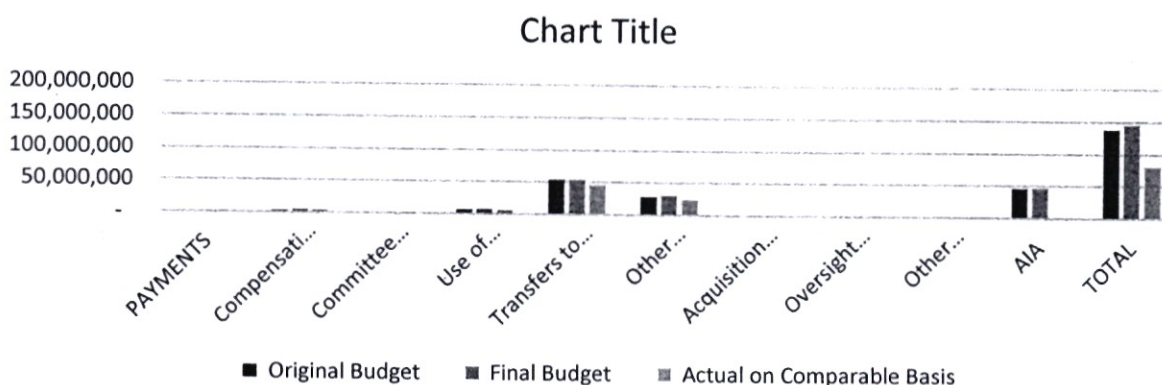
**IDD ABBAS KEYA  
CHAIRMAN MUMIAS WEST NGCDF  
COMMITTEE**

I am pleased to present to you the Chairman's Report on performance of Mumias West NG- CDF for the Year 2022/2023

#### **Budget Performance**

The budget performance against the actual amounts achieved an average of 55.4 % utilization for the economic classification and programmes represented as follows:

#### **BUDGET PERFORMANCE**



Receipt/Expense Item	Budget Performance	Actual Amounts	Difference
<b>RECEIPTS</b>			
Transfers from NG-CDF Board	145,441,270.46	99,226,237.45	46,215,033.01
Other Receipts (AIA)	44,000.00	44,000.00	-
<b>TOTAL RECEIPTS</b>	<b>145,485,270.46</b>	<b>99,270,237.45</b>	<b>46,215,033.01</b>
<b>PAYMENTS</b>			
Compensation of Employees	5,459,081.00	3,405,628.99	2,053,452.01
Committee expenses	1,498,160.00	865,000.00	633,160.00
Use of goods and services	8,992,724.46	5,714,817.99	3,277,906.47
Transfers to Other Government Units	72,182,300.00	45,470,000.00	26,712,300.00
Other grants and transfers	49,338,015.00	24,527,200.00	24,810,815.00
Acquisition of Assets	550,990.00	550,000.00	990.00
Oversight Committee Expenses	420,000.00	-	420,000.00
Other Payments	7,000,000.00	-	7,000,000.00
Funds pending approval (AIA)	44,000.00	-	44,000.00
<b>TOTAL</b>	<b>145,485,270.46</b>	<b>80,532,646.98</b>	<b>64,952,623.48</b>

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

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**Key Achievements of the Fund**

Below we present our achievement per sector

**Bursary**

The fund was able to sponsor 3,618 students under the bursary program that enabled the needy beneficiaries stay in the various education institutions there by accessing education despite their socio-economic status.

The fund contributed towards the government agenda on Universal Health Coverage through sponsoring of KMTCC students.

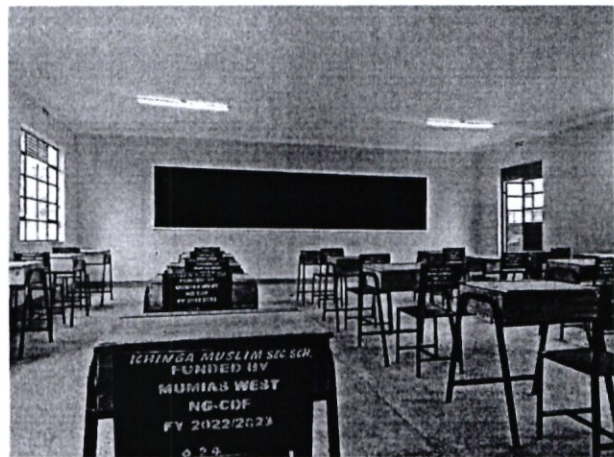
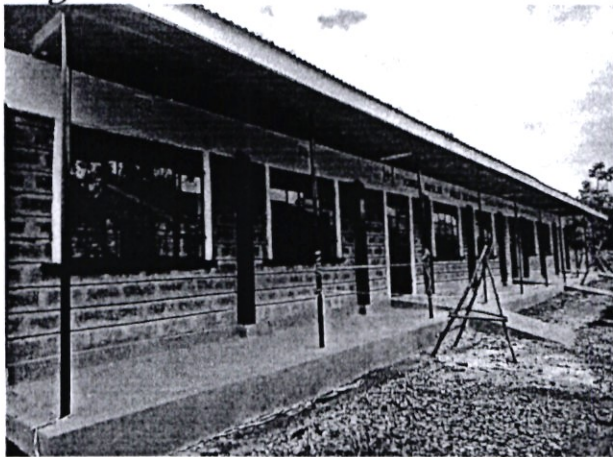
**Education**

The fund contributed towards the government policy on 100% transition by provision of infrastructure including classrooms of classrooms in, (*Diagram 1*) Ichinga Muslim Secondary School (*Diagram 2*), Eburuli Mixed Secondary School (*Diagram 3*), Bukaya Primary school, (*Diagram 4*), Shibale Primary school and workshops in(*Diagram 5*), Mumias West TTI

**Security**

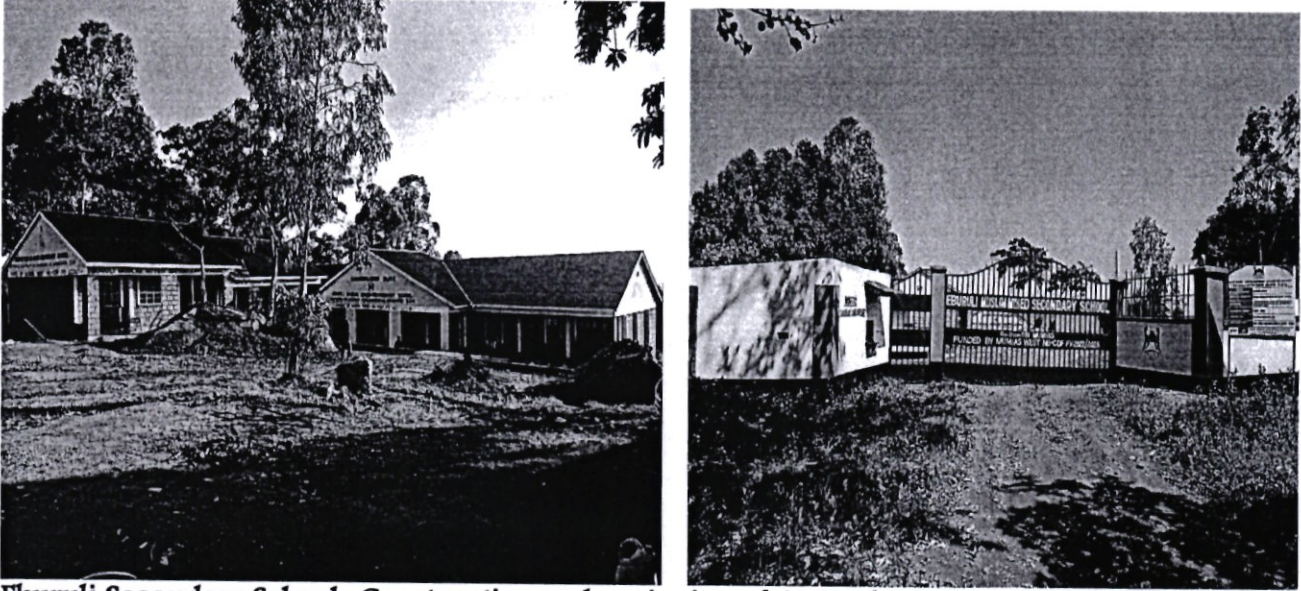
The fund also contributed towards enhancing of security in the constituency by acquisition of land and construction of Gate and fence for proposed Imanga Police post (*Diagram 6*).

*Diagram 1*



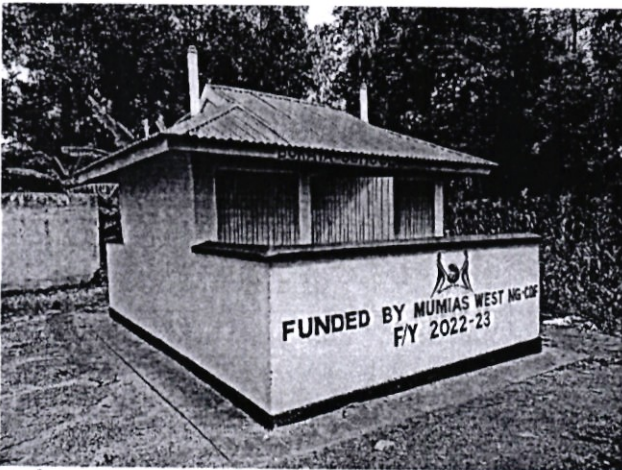
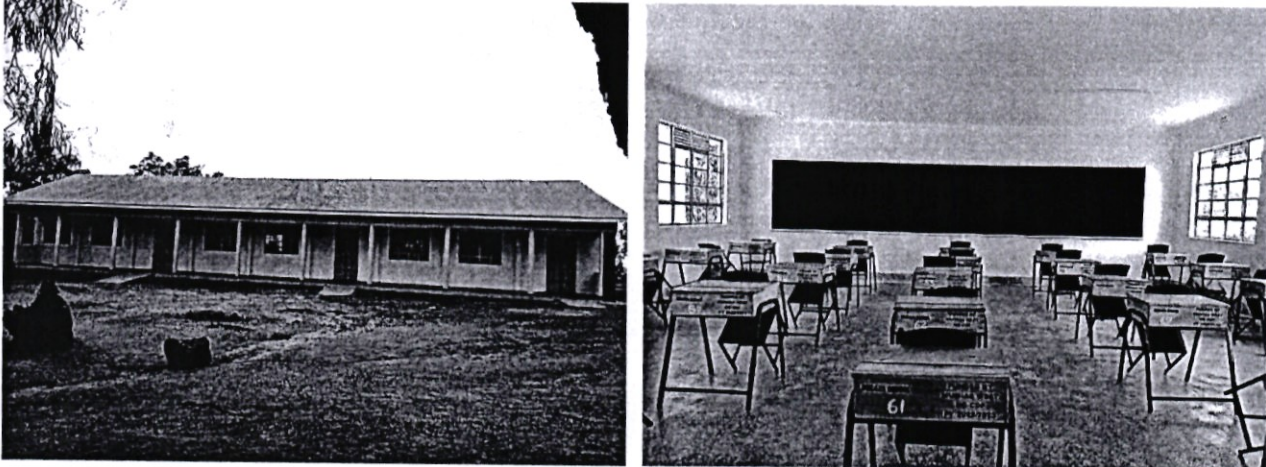
**Ichinga Muslim Secondary School- Construction and equipping of 3 No. Classrooms**

*Diagram 2*



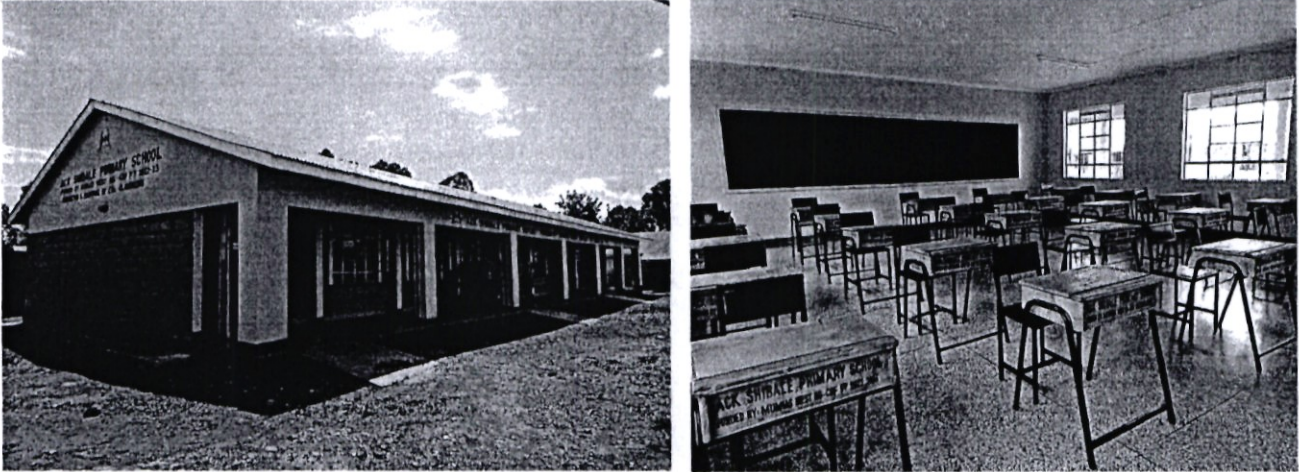
**Eburuli Secondary School- Construction and equipping of 4 No. classrooms & Administration Block, Gate and fence.**

*Diagram 3*



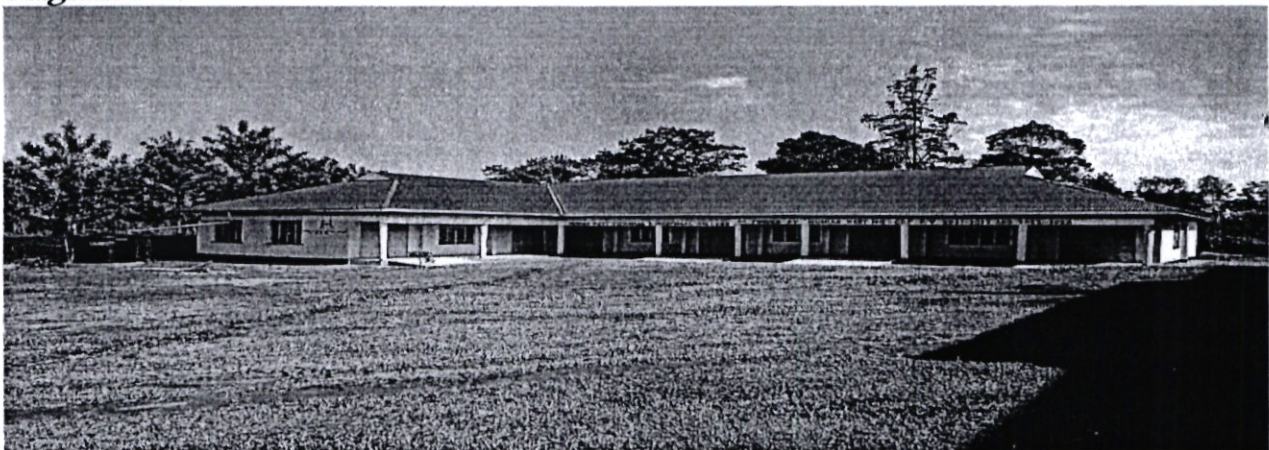
**Bukaya Primary School- Construction and equipping of 3 No. Classrooms and 6 door exhaustible pit latrine**

*Diagram 4*



**Shibale Primary School- Construction and equipping of 3 No. Classrooms**

*Diagram 5*



**Mumias West Technical Training Institute- Construction of 3No. Workshops**

*Diagram 6*



**Imanga Police Post- Construction of Gate and fence.**

**Emerging issues**


- i. Introduction of CBC Programme has led to demand for more infrastructures in primary schools to take care of Junior secondary section.
- ii. Litigation case on unconstitutionality of NG-CDF Act.

**Challenges**

- i. Delay in release of funds by the exchequer close to the financial year end that has led to delays in implementation of projects

**Way forward**

- i. NG CDF committee to prioritize high impact projects in consideration for disbursement of funds once receipt from the exchequer.



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**Name: Idd Abbas Keya**  
**CHAIRMAN NGCDF COMMITTEE**

#### IV. 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 **Mumias West Constituency 2023-2027** plan are to:

- a) To improve access to quality education
- b) To harness youth talent and empower them
- c) To enhance security in the constituency
- d) To promote environmental sustainability in the constituency
- e) To cater for any unforeseen occurrences in the constituency
- f) To improve tracking of implementation CDF programmes
- g) To promote performance management and smooth running of the CDF office

##### Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2022/23 -we increased number of classrooms by 20, Administration Block by 2, Gate and fence by 1, workshops by 3 etc - Bursary beneficiaries at all levels increased by 3,500.
Security	To enhance security in the constituency	-Increased security coverage, -Reduced incidences of crime	-Number of usable physical infrastructure build in police stations, AP camps and chiefs offices	In FY 22/23 -we increased number of police posts by 2 and Divisional office by 1.
Environment	To promote environmental sustainability	-Planting of tree seedlings in schools and	Number of tree seedlings planted	We increased Number of tree seedlings by 6000

	and improve access to clean and safe water.	public institutions,  Installation of Roof-water harvesting tanks in schools and public institutions	Number of Roof-water harvesting tanks installed	We increased Roof-water harvesting tanks by 10
Sports	To empower the youth and harness their talent	Funding of youth sports initiative	No. of sporting initiatives supported	We increased the number of youths sporting initiatives by 1
Emergency	Catering for any unforeseen occurrences in the constituency	Handling emergencies promptly when they arise	Number of emergency projects funded.	We increased the number emergency projects by 10

## **V. Statement of Governance**

### *Process of appointment and removal of NGCDFC Members*

Sec 43(1) of the NGCDF Act, 2015 as amended in 2022 provides for establishment of NGCDF Committee in every constituency. Section 43(8) further provides that the term of office for the members of the constituency committee shall be two years and shall be renewable but expires upon appointment of a new constituency committee.

In Sec 43(2&3) of the NGCDF Act, 2015 as amended in 2022, each constituency committee shall comprise of:-

- a) National government official responsible for coordination of government functions
- b) Two men one of whom shall be a youth at the time of appointment
- c) Two women one of whom shall be a youth at the time of appointment
- d) One person with disability appointed by a registered group representing people with disabilities in the constituency
- e) Two persons nominated by the constituency office
- f) The officer of the Board seconded to the constituency committee by the Board who shall be an ex-official member without a vote
- g) One member co-opted by the Board

A member of the constituency committee referred in sec 43(2) b, c, d and e, above shall be selected through a selection panel established under the Act and shall have qualifications as the Board may prescribe.

The names of the persons selected shall be forwarded by the Board to the National Assembly for approval before appointment and gazettelement by the Board.

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 where the vacancy has occurred within a period of 30 days.

Member of the constituency committee may be removed from office on one or any of the following grounds:-

- Lack of integrity;
- Gross misconduct
- Embezzlement of public funds
- Bringing Committee into disrepute through unbecoming personal ad public conduct
- Promoting unethical practices
- Causing disharmony within the committee
- Physical or Mental infirmity

A decision to remove a member shall be made through a resolution of at least five members of the committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

### **Roles and functions of the Committee**

1. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund



2. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency;
3. Ensure that all projects, proposed and approved for funding meets the requirements of Section 24 of the Act.
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board;
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
8. Ensure labelling of projects as per guidelines issued by the Board;
9. Recruit staff as per Section 45 of the Act, among others.

### **Induction and training of Members**

NGCDFCs are inducted and trained in consideration to the Boards training guidelines. There is need to capacity build members on their mandate as per the NGCDF Act and other relevant laws and policies in order to ensure efficient and effective management of the funds at the constituency level.

### **Number of meetings held**

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.

### **Policy on conflict of interest**

Sec17(1)&(3) Public Officer Ethics Act provides that A public officer shall use the best efforts to avoid being in a situation where that public officers' personal interest conflict with or appear to conflict with the officer's official duties.

A public officer whose personal interests are or may be in conflict with his or her official duties shall declare those personal interests to the public entity.

### **Members' remuneration**

Members of the constituency committee are entitled to a sitting allowance only and not monthly salary.

### **Ethics and conduct**

Sec17(1)&(3) Public Officer Ethics Act provides that a public officer shall;

- a) Be honest in the conduct of public affairs
- b) Not engage in activities that amount to abuse of office
- c) Accurately and honestly present information to the public
- d) Not engage in wrongful conduct in furtherance to personal benefit

- e) Not misuse public resources
- f) Not falsify any records
- g) Not engage in actions that may lead to his or her removal from the membership of a professional body to which he or she may belong

### **Risk management**

This involves understanding, analyzing and addressing risk to make sure organizations achieve their objectives.

Risk management has been integrated within Mumias West NG CDF office by ensuring NG CDF committee and staff are involved in identification, analysis & recording of the risks in the various departments. There is a constituency risk register that has been developed and maintained that is reviewed periodically.

Risk mitigation strategies that have been implemented at the constituency include risk limitation on Loss of NG CDF electronic data and information by provision of reliable internet connectivity to enable online data backups in addition to the disk drive backups that are prone to failure.

#### **Objectives of Risk Management**

1. To develop and maintain a strong system of Corporate Governance and Internal Controls as the basis for a robust and secure operating environment
2. To minimize direct and indirect losses suffered by the Fund
3. To assist in ensuring that all applicable external laws and regulations are complied with
4. To assist in ensuring all internal policies, procedures, standards and control are complied with
5. To provide a greater level of transparency into the operations of the fund
6. To enable the Fund follow best practice in Risk Management
7. To establish the current level of risk within the constituency/department
8. To enable the constituency/ department detect any forthcoming risks and take the necessary action.

## **VI. Environmental and Sustainability Reporting**

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

- a. **Education and Training:** Mumias West 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 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

- Organizing tree planting day in schools where students and teachers are involved in the exercise usually done once in a year.
- Organizing Sensitization workshops for youth and the public community on the impact of drugs and also through construction of police stations supported by NG-CDF.
- Sponsoring sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- Sensitizing the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

## **3. Employee welfare**

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

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

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-**

Mumias West 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.

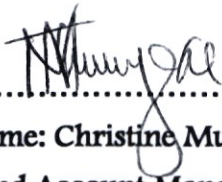
**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



.....  
**Name: Christine Muyaka**  
**Fund Account Manager.**

## **VII. 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-Mumias West 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-Mumias West 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- Mumias West 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 Mumias West 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

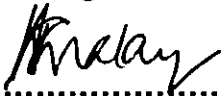
***Mumias West Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023***

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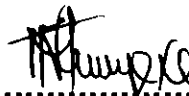
prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF- Mumias West Constituency financial statements were approved and signed by the Accounting Officer on 20<sup>th</sup> September 2023.



.....  
**Name: Idd Abbas Keya**  
**Chairman – NGCDF Committee**



.....  
**Name: Christine N. Muyaka**  
**Fund Account Manager**



# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mumias West Constituency set out on pages

1 to 40, which comprise of the statement of assets and liabilities as at 30 June, 2023, statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Mumias West 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. Lack of Ownership Documents for Assets**

Annex 4 on summary of fixed assets reflects a balance of Kshs.33,803,398 being the value of assets owned by the Fund which includes Kshs.2,000,000 and Kshs.6,330,760 relating to land and transport equipment respectively. The balance of Kshs.6,330,760 relating to transport equipment comprises of values of a bus and two motor cycles. However, log books for the bus and motor cycles as well as a title deed for the land were not provided for audit verification.

In the circumstances, ownership and valuation of the two motor cycles, bus and land could not be confirmed.

#### **2. Unsupported Project Management Committee Balances**

Note 18.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balances totalling Kshs.12,845,729. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.12,845,729 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 - Mumias West 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 Matter**

### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.145,485,270 and Kshs.99,270,237 respectively resulting to an under-funding of Kshs.46,215,033 or 32% of the budget. However, the Fund spent Kshs.80,532,647 against actual receipts of Kshs.99,270,237 resulting to an under-utilization of Kshs.18,737,590 or 19% of actual receipts.

The under-funding and under-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**

The audit report for the previous year highlighted several issues in respect of the financial statements, lawfulness and effectiveness of public resources, and effectiveness of internal control and governance. Management's report on the progress made in resolving the issues, at Annex 6 on progress on follow up of auditor recommendations of other important disclosures indicates that issues relating to effectiveness of internal control and governance had not been resolved as at 30 June, 2023.

## **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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Project Implementation Status**

During the year under review, the Fund had planned to implement one hundred and thirty (130) projects with a budget of Kshs.194,399,530. However, ninety-eight (98) or 75% of the projects costing Kshs.121,636,378 were completed, seventeen (17) or 13% of the

projects costing Kshs.56,217,632 were on-going while fifteen (15) 12% of the projects costing Kshs.16,545,520 had not been started.

In the circumstances, the public did not get value for money on the projects that had not been implemented.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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 controls that are identified during the audit.

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

  
FCPA Nancy Gathunga, CBS  
AUDITOR-GENERAL

Nairobi

28 June, 2024

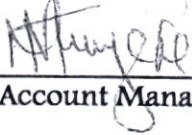
*Mumias West Constituency  
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**IX. Statement Of Receipts and Payments for the Year Ended 30th June 2023**

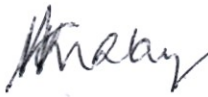
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	92,000,000	182,177,758
Proceeds From Sale of Assets	2		
Other Receipts	3	44,000	201,000
<b>Total Receipts</b>		<b>92,044,000</b>	<b>182,378,758</b>
<b>Payments</b>			
Compensation Of Employees	4	3,405,629	2,200,195
Committee expenses	5	865,000	4,802,440
Use Of Goods and Services	6	5,714,818	6,150,465
Transfers To Other Government Units	7	45,470,000	101,779,600
Other Grants and Transfers	8	24,527,200	62,836,499
Acquisition Of Assets	9	550,000	1,435,118
Oversight Committee Expenses	10	00	00
Other Payments	11	00	00
<b>Total Payments</b>		<b>80,532,647</b>	<b>179,204,317</b>
<b>Surplus/(Deficit)</b>		<b>11,511,353</b>	<b>3,174,441</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 20<sup>th</sup> September 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Christine N. Muyaka

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Rose A. Ojwang  
ICPAK M/No: 17031

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Idd Abbas Keya

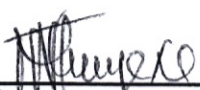
*Mumias West Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*


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

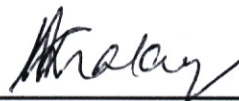
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	18,737,590	7,226,237
Cash Balances (Cash at Hand)	12B		
<b>Total Cash and Cash Equivalents</b>		<b>18,737,590</b>	<b>7,226,237</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>18,737,590</b>	<b>7,226,237</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>18,737,590</b>	<b>7,226,237</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	7,226,237	4,051,797
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		11,511,353	3,174,441
<b>Net Financial Position</b>		<b>18,737,590</b>	<b>7,226,237</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 20<sup>th</sup> September 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Christine N. Muyaka

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Rose A. Ojwang  
ICPAK M/No: 17031

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Idd Abbas Keya




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National Government Constituencies Development Fund (NGCDF)  
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**XI. Statement Of Cash Flows for The Year Ended 30th June 2023**


	Notes	2022-2023 FY	2021-2022 FY
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	92,000,000	182,177,758
Other Receipts	3	44,000	201,000
<b>Total Receipts</b>		<b>92,044,000</b>	<b>182,378,758</b>
Payments			
Compensation Of Employees	4	3,405,629	2,200,195
Committee Expenses	5	865,000	4,802,440
Use Of Goods and Services	6	5,714,818	6,150,465
Transfers To Other Government Units	7	45,470,000	101,779,600
Other Grants and Transfers	8	24,527,200	62,836,499
Oversight Committee Expenses	10	00	00
Other Payments	11	00	00
<b>Total Payments</b>		<b>79,982,647</b>	<b>177,769,199</b>
<b>Total Receipts Less Total Payments</b>			
Adjusted For:			
Prior Year Adjustments	16	00	00
Decrease/(Increase) In Accounts Receivable	17	00	00
Increase/(Decrease) In Accounts Payable	18	00	00
<b>Net Cash Flow from Operating Activities</b>		<b>12,061,353</b>	<b>4,609,559</b>
<b>Cash flow From Investing Activities</b>			
Proceeds From Sale of Assets	2	00	00
Acquisition Of Assets	9	(550,000)	(1,435,118)
<b>Net Cash Flows from Investing Activities</b>		<b>(550,000)</b>	<b>(1,435,118)</b>
Net Increase In Cash And Cash Equivalent		<b>11,511,353</b>	<b>3,174,441</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>12</b>	<b>7,226,237</b>	<b>4,051,797</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>12</b>	<b>18,737,590</b>	<b>7,226,237</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 20<sup>th</sup> September 2023 and signed by:

  
Fund Account Manager

Name: Christine N. Muyaka

  
National Sub-County  
Accountant

Name: Rose A. Ojwang  
ICPAK M/No: 17031

  
Chairman NG-CDF Committee

Name: Idd Abbas Keya

*Mumias West Constituency  
National Government Constituencies Development Fund (NGCDF)  
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XII. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	B		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	138,215,033.01	7,226,237.45	-	145,441,270.46	99,226,237.45	46,215,033.01	68.2%
Proceeds From Sale of Assets	-	-		-	-	-	0.0%
Other Receipts		44,000.00		44,000.00	44,000.00	-	100.0 %
<b>Totals</b>	<b>138,215,033.01</b>	<b>7,270,237.45</b>	<b>-</b>	<b>145,485,270.46</b>	<b>99,270,237.45</b>	<b>46,215,033.01</b>	<b>68.2%</b>
Payments							
Compensation Of Employees	3,209,987.00	2,249,094.00	-	5,459,081.00	3,405,628.99	2,053,452.01	62.4%
Committee Expenses	1,248,000.00	250,160.00	-	1,498,160.00	865,000.00	633,160.00	57.7%
Use Of Goods and Services	7,769,436.01	1,223,288.45	-	8,992,724.46	5,714,817.99	3,277,906.47	63.5%
Transfers To Other Government Units	72,182,300.00	-	-	72,182,300.00	45,470,000.00	26,712,300.00	63.0%
Other Grants and Transfers	46,555,310.00	2,779,705.00	-	49,335,015.00	24,527,200.00	24,807,815.00	49.7%
Acquisition Of Assets	250,000.00	300,990.00	-	550,990.00	550,000.00	990.00	99.8%
Oversight Committee Expenses	-	423,000.00	-	423,000.00	-	423,000.00	0.0%
Other Payments	7,000,000.00	-	-	7,000,000.00	-	7,000,000.00	0.0%
Funds Pending Approval & AIA	0	44,000.00	-	44,000.00	-	44,000.00	0.0%
<b>Totals</b>	<b>138,215,033.01</b>	<b>7,270,237.45</b>	<b>-</b>	<b>145,485,270.46</b>	<b>80,532,646.98</b>	<b>64,952,623.48</b>	<b>55.4%</b>


*Explanatory Notes.*


(a) Compensation of Employees, Committee Expenses, Use of Goods and Services, Transfers to Other Government Units and Other Grants and Transfers had below 90% utilization because we received funds too close to the end and after closure of the financial year without the authority to incur expenditure.

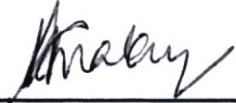
*Mumias West Constituency  
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	64,952,623
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	46,215,033
	18,737,590
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	18,737,590

The Constituency financial statements were approved by NG CDFC on 20<sup>th</sup> September 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Name: Christine N. Muyaka

  
\_\_\_\_\_  
National Sub-County Accountant  
Name: Rose A. Ojwang  
ICPAK M/No: 17031

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Name: Idd Abbas Keya

*Mumias West Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**XIII. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2023**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,209,987	2,249,094	-	5,459,081	3,405,629	2,053,452
1.2 Committee allowances	1,248,000	250,160	-	1,498,160	865,000	633,160
1.3 Use of goods and services	3,610,295	935,137	-	4,545,432	2,725,118	1,820,314
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,200,000	29,650	-	1,229,650	641,900	587,750
2.2 Committee allowances	1,200,000	244,008	-	1,444,008	944,000	500,008
2.3 Use of goods and services	1,759,141	14,493	-	1,773,634	1,403,800	369,834
<b>3.0 Emergency</b>						
3.1 Primary Schools						
3.2 Secondary schools	5,800,000	0.10	-	5,800,000	4,200,000	1,600,000
3.3 Tertiary institutions	800,000	-	-	800,000	800,000	-
3.4 Security projects	600,000	-	-	600,000	600,000	-
3.5 Unutilised	150,000	5,357.38	-	155,357	-	155,357
<b>4.0 Bursary and Social Security</b>						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.1 Primary Schools	115,000	74,000.00	-	189,000	144,000	45,000
4.2 Secondary Schools	10,635,000	1,246,047.73	-	11,881,048	9,315,200	2,565,848
4.3 Tertiary Institutions	6,950,000	1,454,300.00	-	8,404,300	6,258,000	2,146,300
4.5 Social Security						
<b>5.0 Sports</b>						
5.1 Constituency Sports Tournament	2,472,760	-	-	2,472,760	-	2,472,760
5.2 Regional Sports Tournament	300,000	-	-	300,000	-	300,000
5.3						
<b>6.0 Environment</b>						
Ebuyeshera Primary School	277,276	-	-	277,276	-	277,276
Sheikh Badru Secondary school	277,276	-	-	277,276	-	277,276
Shibale Secondary School	277,276	-	-	277,276	-	277,276
Ebubaka Primary School	277,276	-	-	277,276	-	277,276
Lukongo Primary School	277,276	-	-	277,276	-	277,276
Iranda Primary School	277,276	-	-	277,276	-	277,276
Bukaya Primary School	277,276	-	-	277,276	-	277,276
Enyapora Secondary School	277,276	-	-	277,276	-	277,276

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Emulembwa Primary School	277,276	-	-	277,276	-	277,276
Mumias Central Primary School	277,276	-	-	277,276	-	277,276
<b>7.0 Primary Schools Projects (List all the Projects)</b>						
Ahong'injo Primary School	800,000	-	-	800,000	800,000	-
Ebuchirinya Primary School	560,000	-	-	560,000	560,000	-
Emaungu Primary School	370,000	-	-	370,000	370,000	-
Emuberi Primary School	460,000	-	-	460,000	460,000	-
Emukhuwa Primary School	500,000	-	-	500,000	500,000	-
Etenje Primary School	220,000	-	-	220,000	220,000	-
Ichinga Primary School	480,000	-	-	480,000	480,000	-
Ihonje Pri. School	300,000	-	-	300,000	300,000	-
Ingusi Primary School	780,000	-	-	780,000	780,000	-
Iranda Primary School	300,000	-	-	300,000	300,000	-
Lukongo Primary School	480,000	-	-	480,000	480,000	-
Milimani Primary School	660,000	-	-	660,000	660,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Mumias Muslim Primary School	720,000	-	-	720,000	720,000	-
Musanda Primary School	2,900,000	-	-	2,900,000	2,900,000	-
Bukaya Primary School	6,300,000	-	-	6,300,000	4,500,000	1,800,000
Bumala Priamry School	800,000	-	-	800,000	800,000	-
Elukala Primary School	340,000	-	-	340,000	340,000	-
Lusheya primary school	1,000,000	-	-	1,000,000	1,000,000	-
Mumias Muslim Primary	600,000	-	-	600,000	600,000	-
Shibale Primary School	3,900,000	-	-	3,900,000	1,500,000	2,400,000
<b>8.0 Secondary Schools Projects (List all the Projects)</b>						
Butobe Secondary School	900,000	-	-	900,000	900,000	-
Milimani Secondary School	1,300,000	-	-	1,300,000	1,300,000	-
Musanda Secondary School	2,660,000	-	-	2,660,000	2,660,000	-
Shibale Secondary School	400,000	-	-	400,000	400,000	-
Shibale Secondary School	190,000	-	-	190,000	190,000	-
St. Romanos Matawa Secondary Scho	1,500,000	-	-	1,500,000	-	1,500,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Bukaya Secondary School	7,000,000	-	-	7,000,000	3,500,000	3,500,000
Bumia Girls Secondary School	1,400,000	-	-	1,400,000	1,400,000	-
Ebutobe Secondary School	1,050,000	-	-	1,050,000	1,050,000	-
Emukhuwa Girls Secondary School	800,000	-	-	800,000	800,000	-
Ichinga Muslim Secondary School	5,500,000	-	-	5,500,000	3,500,000	2,000,000
Ingusi Secondary School	1,500,000	-	-	1,500,000	1,500,000	-
Sheikh Badru Secondary School	6,500,000	-	-	6,500,000	4,500,000	2,000,000
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>						
Mumias West TTI	9,250,000	-	-	9,250,000	4,500,000	4,750,000
Mumias West TTI	9,762,300	-	-	9,762,300	1,000,000	8,762,300
<b>10.0 Security Projects</b>						
Musanda Divisional Head Quarters	1,010,000	-	-	1,010,000	1,010,000	-
Imanga Police Post	600,000	-	-	600,000	600,000	-
Musanda Police Station	1,000,000	-	-	1,000,000	1,000,000	-
Nyalenya Police Post	600,000	-	-	600,000	600,000	-
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-



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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	300,990	-	300,990	300,000	990
11.4 Purchase of computers	250,000	-	-	250,000	250,000	-
11.5 Purchase of land	-	-	-	-	-	-
<b>12.0 Oversight Committee Expenses</b>						
12.1 Committee allowances	-	-	-	-	-	-
12.2 Capacity Building	-	-	-	-	-	-
<b>13.0 Other Payments</b>						
13.1 Strategic Plan	2,000,000	-	-	2,000,000	-	2,000,000
13.2 Rural Electrification and Renewable Energy Corporation	5,000,000	-	-	5,000,000	-	5,000,000
14.1 unallocated fund						
AIA	-	44,000	-	44,000	-	44,000
Funds pending approval & AIA	-	423,000	-	423,000	-	423,000
<b>Total</b>	<b>138,215,033</b>	<b>7,270,237</b>	<b>-</b>	<b>145,485,270</b>	<b>80,532,647</b>	<b>64,952,623</b>

#### **XIV. 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-Mumias West 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.

*Significant Accounting Policies continued*

**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 2022 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.

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**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NGCDF Board		
AIE NO. B105226		34,000,000
AIE NO. B105522		44,000,000
AIE NO. B105882		24,000,000
AIE NO. B128667		6,000,000
AIE NO. B128951		14,000,000
AIE NO. B154147		17,000,000
AIE NO. B164378		20,000,000
AIE NO. B155549		12,088,879
AIE NO. B 089058		11,088,879
AIE NO. B185193	7,000,000	
AIE NO. B185468	6,000,000	
AIE NO. B185729	15,000,000	
AIE NO. B206045	5,000,000	
AIE NO. B205838	12,000,000	
AIE NO. B205838	12,000,000	
AIE NO. B205969	5,000,000	
AIE NO. B207599	15,000,000	
AIE NO. B207965	15,000,000	
<b>TOTAL</b>	<b>92,000,000</b>	<b>182,177,758</b>

**2. Proceeds From Sale of Assets**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Others (specify)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



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**3. Other Receipts**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	44,000	201,000
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>44,000</b>	<b>201,000</b>

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*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,137,333	2,046,563
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,102,704	-
Employer Contributions Compulsory national social security schemes	165,592	153,632
<b>Total</b>	<b>3,405,629</b>	<b>2,200,195</b>

**5. Committee Expenses**

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	814,000	4,802,440
Other committee expenses	51,000	-
<b>Total</b>	<b>865,000</b>	<b>4,802,440</b>

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**6. Use of Goods and services**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	154,812	228,482
Communication, supplies and services	440,894	388,599
Domestic travel and subsistence	1,696,430	1,148,208
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	116,000	-
Hospitality supplies and services	1,069,976	1,415,389
Insurance costs	-	-
Specialised materials and services	47,400	124,420
Office and general supplies and services	618,559	881,747
Fuel , oil & lubricants	916,000	1,155,332
Other operating expenses	48,000	77,320
Bank service commission and charges	46,614	26,818
Security operations	383,948	320,000
Routine maintenance - vehicles and other transport equipment	91,435	219,369
Routine maintenance- other assets	84,750	164,781
<b>Total</b>	<b>5,714,818</b>	<b>6,150,465</b>

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*Notes To The Financial Statements (Continued)*

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	18,270,000	54,955,000
Transfers To Secondary Schools (See Attached List)	21,700,000	41,224,600
Transfers To Tertiary Institutions (See Attached List)	5,500,000	5,600,000
<b>Total</b>	<b>45,470,000</b>	<b>101,779,600</b>

**8. Other Grants and Other transfers**

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	9,315,200	19,725,070
Bursary – tertiary institutions (see attached list)	6,258,000	11,545,700
Bursary – special schools (see attached list)	144,000	226,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	3,210,000	7,700,000
Sports projects (see attached list)	-	5,483,555
Environment projects (see attached list)	-	3,982,955
Emergency projects (see attached list)	5,600,000	14,173,219
Roads projects (see attached list)	-	-
<b>Total</b>	<b>24,527,200</b>	<b>62,836,499</b>

**Notes To the Financial Statements (Continued)**

**9. Acquisition Of Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	960,118
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	550,000	475,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>550,000</b>	<b>1,435,118</b>

**10. Other Payments**

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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**11. Cash Book Bank Balance**

<b>Name Of Bank, Account No. &amp; Currency</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>11A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Co-operative Bank, Mumias Branch Acc No. 1141498664400</i>	<b>18,737,590</b>	<b>7,226,237</b>
<b>Total</b>	<b>18,737,590</b>	<b>7,226,237</b>
<b>11 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	-	-

**12. Outstanding Imprests**

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

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**Notes to the Financial Statement Continued**

**13. Retention**

	<i>2022-2023 FY</i>	<i>2021-2022 FY</i>
	<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	-	-

**14. Gratuity**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	895,226	-
Gratuity held during the year (B)	207,478	-
Gratuity paid during the Year (C)	1,102,704	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	<b>0</b>	-

**15. Fund Balance B/F**

	<i>(1<sup>st</sup> July 2022)</i>	<i>(1<sup>st</sup> July 2023)</i>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	<b>7,226,237</b>	18,737,590
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	<b>7,226,237</b>	<b>18,737,590</b>

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**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	-	-



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*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	2,053,452	2,249,094
Committee expenses	633,160	494,168
Use of goods and services	3,277,906	979,280
Amounts due to other Government entities (see attached list)	26,712,300	-
Amounts due to other grants and other transfers (see attached list)	24,807,815	2,779,705
Acquisition of assets	990	300,990
Other Payments	7,000,000	-
Oversight Committee Expenses	0	0
Funds pending approval	467,000	423,000
<b>Total</b>	<b>64,952,623</b>	<b>7,226,237</b>

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

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	12,845,729	29,524,021
<b>Total</b>	<b>12,845,729</b>	<b>29,524,021</b>

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**XVI. 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.					
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
Sub-Total					
<b>Grand Total</b>					

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 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				

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
<b>Admin &amp; Recurrent</b>				
	Compensation of employees	915,465	2,249,094	
	Committee Allowances	433,160	250,160	
	Use of goods & services	1,146,019	935,137	
	<b>Sub-Total</b>	<b>2,494,645</b>	<b>3,434,391</b>	
<b>Monitoring and evaluation</b>				
	Capacity building	337,750	29,650	
	Committee Allowances	422,208	244,008	
	Use of goods & services	102,493	14,493	
	<b>Sub-Total</b>	<b>862,451</b>	<b>288,151</b>	
<b>Amounts due to other Government entities</b>				
<b>Primary Schools</b>				
	Bukaya Primary School	1,800,000		
	Shibale Primary School	2,400,000		
<b>Secondary Schools</b>				
	St. Romanos Matawa Secondary School	1,500,000		
	Bukaya Secondary School	3,500,000		
	Ichinga Muslim Secondary School	2,000,000		
	Sheikh Badru Secondary School	2,000,000		
<b>Tertiary Institutions</b>				
	Mumias West Technical and Vocational Education & Training Institute	13,512,300		
	<b>Sub-Total</b>	<b>26,712,300</b>		
<b>Amounts due to other grants and other transfers</b>				
<b>Bursary Funds</b>				
	Secondary Schools	11,730,848	1,246,047.73	

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
Tertiary Institutions		5,259,900	1,454,300.00	
Special Needs		230,000	74,000.00	
<b>Emergency Funds</b>		<b>2,041,547</b>	5,357.00	
<b>Sports</b>		<b>2,772,760</b>		
<b>Environment</b>				
Ebuyeshera Primary School		277,276		
Sheikh Badru Secondary school		277,276		
Shibale Secondary School		277,276		
Ebubaka Primary School		277,276		
Lukongo Primary School		277,276		
Iranda Primary School		277,276		
Bukaya Primary School		277,276		
Enyapora Secondary School		277,276		
Emulembwa Primary School		277,276		
Mumias Central Primary School		277,276		
<b>Sub-Total</b>		<b>24,807,815</b>	<b>2,779,704.73</b>	
<b>Acquisition of assets</b>				
<b>Office Equipment</b>	Office Equipment	990	300,990	
<b>Sub-Total</b>		<b>990</b>	<b>300,990</b>	
<b>Others (specify)</b>				
<b>Sub-Total</b>		<b>467,000</b>	<b>423,000</b>	
Funds pending approval		467,000	423,000	
<b>Grand Total</b>		<b>64,952,624</b>	<b>7,226,237</b>	

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

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 1/7/2022</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End 30/6/2023</b>
Land	2,000,000	-	-	2,000,000
Buildings and structures	19,511,633	-	-	19,511,633
Transport equipment	6,330,760	-	-	6,330,760
Office equipment, furniture and fittings	3,102,510	300,000	-	3,402,510
ICT Equipment, Software and Other ICT Assets	1,646,500	250,000	-	1,896,500
Other Machinery and Equipment	167,995	-	-	167,995
Heritage and cultural assets	-	-	-	-
Intangible assets	494,000	-	-	494,000
<b>Total</b>	<b>33,253,398</b>	<b>550,000</b>	<b>-</b>	<b>33,803,398</b>

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance Current FY</b>	<b>Bank Balance Previous FY</b>
Ack Milimani Girls High School	Coop Bank - Mumias	01141067109400	89,792	86,013
Ahong'injo Pri School	Coop Bank - Mumias	01141067542500	12,102	4,481
Buchifi Primary School	Coop Bank - Mumias	01141067546600	1,811	368,940
Bukaya Primary School	Coop Bank - Mumias	01141067184500	1,074,907	145,788
Butobe Primary School	Coop Bank - Mumias	01141234570900	2,355	80,568
Ebubaka Primary School	Coop Bank - Mumias	01141068446700	0	332,081
Ebubala Pri School	Coop Bank - Mumias	01141498804300	54,896	54,896
Ebuyenjere Primary School	Coop Bank - Mumias	01141067166600	2,928	146,083
Emuberi Primary Sch	Coop Bank - Mumias	01141234632400	803,775	230,430
Emukhuwa Primary Sch.	Coop Bank - Mumias	01141067546400	914,287	149,434
Eshikalame Primary Sch	Coop Bank - Mumias	01141067542700	0	978,769
Etenje Primary Sch.	Coop Bank - Mumias	01141067574500	95,226	129,711
Ichinga Muslim Pri. Sch. Dev. Fund	Coop Bank - Mumias	01141067156200	23,388	357,649
Ingusi Primary Sch	Coop Bank - Mumias	01141067542600	68,126	43,324
Iyabo Primary Sch	Coop Bank - Mumias	01141067543300	782,707	28,707



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Ihonje Primary School	Coop Bank - Mumias	01141498103600	137,691	235,500
Khungwani Primary Sch	Coop Bank - Mumias	01141067262800	59,428	150,428
Lureko Primary Sch - CDF	Coop Bank - Mumias	01141499543000	88,831	88,831
Lukoye Community ECD Sch	Coop Bank - Mumias	01141498097300	3,527	207,940
Milimani Primary School	Coop Bank - Mumias	01141067730700	114,131	66,264
Mumias Central Primary School	Coop Bank - Mumias	01141234298100	477	143,628
Mumias Sugar Complex Pri. Sch.	Coop Bank - Mumias	01141499543500	885	146,786
Mumias Muslim Girl's Sec. Sch	Coop Bank - Mumias	01141234419900	5,015	5,015
Mumias Muslim Pri. Sch. Dev. Fund	Coop Bank - Mumias	01141068261600	170,105	677,753
Mumias Primary Sch. For the Deaf	Coop Bank - Mumias	01141498449900	1	904,759
Mumias Township Primary School	Coop Bank - Mumias	01141068453800	1,412	43,403
Musanda Primary School	Coop Bank - Mumias	01141068368600	100,039	110,616
Musanda Secondary School	Coop Bank - Mumias	01141067093800	109,623	1,824,964
Nyapeta primary School	Coop Bank - Mumias	01141234845500	135,498	180,988
Nyawkaka Primary School	Coop Bank - Mumias	01141234741100	7,163	567,226
Ranjiri Primary School	Coop Bank - Mumias	01141499529400	42,253	42,253
Sheikh Badru Sec School	Coop Bank - Mumias	01141499790800	2,370	407,370

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Shibale Primary School	Coop Bank - Mumias	01141067324900	163,363	582,610
Shisundusia Primary School	Coop Bank - Mumias	01141499512200	5,764	5,764
St.Cyprian Ebuyeshera School	Coop Bank - Mumias	01141498094500	69,203	555,674
St.Elias Iyabo Sec. School	Coop Bank - Mumias	01141498103400	1,068,074	1,068,074
St.Elizabeth Bumia Girls' Sch	Coop Bank - Mumias	01141068321200	292,198	93,307
St.Elizabeth Lureko Girls' Sec. Sch	Coop Bank - Mumias	01141068371700	32,561	32,561
St.Joseph's Ugana Secondary School	Coop Bank - Mumias	01141498109200	6,160	256,160
St.John Bumala Sec School	Coop Bank - Mumias	01141798719600	6,757	6,757
St.Michael Ingusi Sec School	Coop Bank - Mumias	01141233055500	133,126	233,226
St.Patrick's Lusheya Primary Sch	Coop Bank - Mumias	01141067543800	85,633	446,736
St.Peters Boys Mumias Pri Sch	Coop Bank - Mumias	01141067562500	114,457	114,457
St.Romano's Matawa Sec. Sch	Coop Bank - Mumias	01141234424300	1,604	1,007,228
Utende Primary School	Coop Bank - Mumias	01141067544300	3,019	169,717
Wang'nyang' Primary School	Coop Bank - Mumias	01141068175200	80,166	235,115
Musanda Divisional HQs	Coop Bank - Mumias	01141798773300	19,994	8,556,785
Nyalenya A.P Camp	Coop Bank - Mumias	01141499511800	230,888	122,503
Mumias West CDF Sports Project	Coop Bank - Mumias	01141498779200	200,663	1,731,985

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Mumias West T.T.Institute	Coop Bank - Mumias	01141499091500	2,977,351	5,364,765
St. Bedas Bukaya Secondary school	Equity Mumias	0680295231562	2,450,000	-
<b>TOTAL</b>			<b>12,845,729</b>	<b>29,524,021</b>

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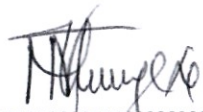
**Annex 6: Progress On Follow Up of Auditor Recommendations**

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)												
1.	<p><b>Variations between Financial Statements and Supporting Schedules Amounts</b></p> <p>Variations were noted between amounts reflected in the financial statements and supporting schedules on two components as indicated below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Component</th> <th style="text-align: right;">Amounts as per the Financial Statements (Kshs)</th> <th style="text-align: right;">Amounts as per the supporting schedules (Kshs)</th> <th style="text-align: right;">Variance (Kshs)</th> </tr> </thead> <tbody> <tr> <td>Compensation of employees</td> <td style="text-align: right;">2,200,195</td> <td style="text-align: right;">3,095,421</td> <td style="text-align: right;">(895,226)</td> </tr> <tr> <td>Use of goods and services- routine maintenance- vehicles and other transport equipment</td> <td style="text-align: right;">219,369</td> <td style="text-align: right;">418,369</td> <td style="text-align: right;">(199,000)</td> </tr> </tbody> </table> <p>In the circumstance, the accuracy and completeness of the respective balances could not be confirmed</p>	Component	Amounts as per the Financial Statements (Kshs)	Amounts as per the supporting schedules (Kshs)	Variance (Kshs)	Compensation of employees	2,200,195	3,095,421	(895,226)	Use of goods and services- routine maintenance- vehicles and other transport equipment	219,369	418,369	(199,000)	<p>We acknowledge that this was an error and it has since been corrected as indicated in the amended Financial Statement. Hence the accuracy and completeness of the respective comparative balances is confirmed.</p>	Resolved	
Component	Amounts as per the Financial Statements (Kshs)	Amounts as per the supporting schedules (Kshs)	Variance (Kshs)													
Compensation of employees	2,200,195	3,095,421	(895,226)													
Use of goods and services- routine maintenance- vehicles and other transport equipment	219,369	418,369	(199,000)													

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2	<p><b>Lack of Ownership Documents for Assets</b></p> <p>Annex 4 to the financial statements on summary of fixed assets register reflects a fixed assets balance of Kshs.33,253,398 which includes transport equipment and land valued at Kshs.6,330,760 and Kshs.2,494,000 respectively. However, log books for the three (3) motor vehicles and title deed for the one piece of land were not provided for audit review.</p> <p>In the circumstances, Management and those charged with Governance did not effectively manage the assets of the Fund.</p>	<p><b>The</b> fixed assets of transport equipment and land are owned and managed by NGCDF Mumias West. The parcel of land was allotted by the government but allotment letter has not been issued. However we have written to the Town Manager to assist in getting the required documentation.</p> <p>Logbooks for transport equipment cannot be traced. However we have reported the matter to the police to initiate the process of replacement of the logbooks.</p>	Not Resolved	6 months



Name: Christine N. Muyaka  
Fund Account Manager.

FUND ACCOUNT MANAGER  
MUMIAS WEST NG-CDF  
P. O. Box 1087 - 50102,  
MUMIAS

