

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 14 AUG 2024 WEDNESDAY

PARLIAMENT
OF KENYA
LIBRARY

TABLED
BY:

HON. DWEN BAYA, MP
DEPUTY LEADER OF THE
MAJORITY PARTY

CLERK-AT
THE-TABLE:

KESTHER NGIYO

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2023**



IKOLOMANI CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023**

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

| Table of Content | Page |
|--|-------|
| I. Acronyms and Abbreviations | iii |
| II. Key Constituency Information and Management..... | iv |
| III. NG-CDFC Chairman's Report..... | vii |
| IV. Statement of Performance Against Predetermined Objectives for FY 2022/23..... | ix |
| V. Statement of Governance | xi |
| VI. Environmental and Sustainability Reporting..... | xiii |
| VII. Statement of Management Responsibilities | xvii |
| VIII. Report of the Auditor General on The NGCDF- Ikolomani Constituency | xviii |
| IX. Statement of Receipts and Payments for the Year Ended 30th June 2023 | 1 |
| X. Statement Of Assets and Liabilities as at 30th June, 2023 | 2 |
| XI. Statement Of Cash Flows for The Year Ended 30th June 2023 | 3 |
| XII. Summary Statement of Appropriation for The Year Ended 30 th June 2023..... | 4 |
| XIII. Budget Execution by Sectors and Projects for The Year Ended 30 th June 2023 | 6 |
| XIV. Significant Accounting Policies | 14 |
| XV Notes to the Financial Statements..... | 20 |
| XVI Annexes | 29 |

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

I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund
PFM-Public Finance Management
IPSAS-International Public Sector Accounting Standards.
PMC-
FY-Financial Year

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

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

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 Ikolomani 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 30th June 2023 and who had direct fiduciary responsibility were:

| No | Designation | Name |
|----|-----------------------|--------------------------|
| 1. | A.I.E holder | Tom Oriwa Ageng'a |
| 2. | Sub-County Accountant | Sylvester Olengo Onyango |
| 3. | Chairman NGCDFC | David Muliru Lisamula |
| 4. | Member NGCDFC | Gideon Malukas Khasiani |

(c) Fiduciary Oversight Arrangements

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

P.O. Box 2773-50100
Ikolomani NGCDFC Office-Malinya
Off Sigalagala-Bukura Road, Behind Malinya Market
Kakamega, KENYA

(e) Ikolomani Constituency NGCDF Contacts

Telephone: (254) 716830440
E-mail: cdfikolomani@ngcdf.go.ke
Website: ikolomaniconstituency.ngcdf.go.ke

(f) Ikolomani Constituency NGCDF Bankers

Equity Bank
Kakamega Branch
P.O. Box 2512-50100
Kakamega, 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



David Muliru Lisamula
Ikolomani NGCDFC Chairman

I am delighted to present the Chairman's Report for the Ikolomani National Government Constituency Development Fund Committee (NGCDFC) for the financial year 2022/2023, which covered the period from July 1, 2022, to June 30, 2023. Despite the challenges that the year brought, our committee remained steadfast in its commitment to advancing development projects within our constituency. This report reflects our endeavours, achievements, and the collaborative spirit that drives us.

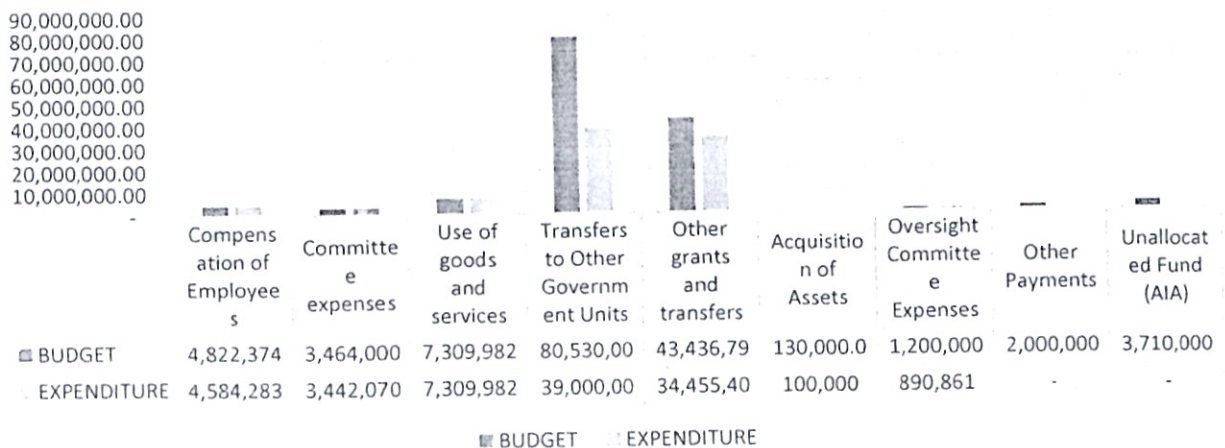
During the year under review, and despite the challenges that were brought about by the long electioneering period and their concomitant effects of the delayed disbursements of funds, we achieved a significant portion of what we had set up to do both in our five-year strategic plan and the annual work plans and

performance contract signed between us and the NGCDF Board.

Financial Performance

The financial year ending June 2022 had an approved budget of KShs 138,215,033. Also, there were adjustments in the receipts during the period under review which include; the opening balances, Appropriation in Aid, and receipts from the NGCDF Board for previous financial years totalling to KShs 8,388,120 that totals to KShs 146,603,153 as expected receipts for the financial year under review. Further, a total of KShs 95,388,120 was received, which represents 65% of the total sums we had expected to receive, being the amounts of the total budget together with the balance from the previous financial year and Appropriation in Aid. In the same vein, the Ikolomani NGCDFC made payments of KShs 89,782,596 which is about 61% of the sums received. Just to highlight a few areas; transfers to other government entities were 48% while other grants and transfers were at 79%. This has been depicted in the graph below.

A GRAPH SHOWING THE BUDGET VS EXPENDITURE IN KSHS.



Projects and Achievements

Our committee's unwavering dedication and professionalism, coupled with the support of our esteemed Member of Parliament, Hon. Benard Shinali, allowed us to achieve significant milestones in various areas.

Bursary Program

We remain committed to promoting education through our bursary program. In the financial year 2022/2023, a total of Kshs 23,871,800 was disbursed to various learning institutions, ensuring that bright and needy students could continue their studies without financial constraints.

Project Implementations

Several infrastructure projects were completed during this financial year, including the completion of Iguhu Police Station, Lusiola Primary School, and Lirhembe Primary School, as well as the installation of a water pump in Shiveye Primary School. These projects will contribute significantly to the improvement of education, security, and administrative services within our constituency.

Monitoring and Evaluation

Our commitment to transparency and accountability was upheld through regular monitoring and evaluation of projects. We engaged in quarterly assessments, strengthening our internal controls and ensuring that the projects we support reflect our goals and vision.

Challenges Faced

We recognize that challenges are part of the development process. Throughout the year, we encountered delays in disbursements from the NGCDF Board, and we worked diligently to manage these challenges and ensure that our projects remained on track.

Conclusion

As we conclude the financial year 2022/2023, I express my gratitude to the dedicated members of the Ikolomani NGCDFC for their unwavering commitment, collaboration, and professionalism. I extend special thanks to our Member of Parliament, Hon. Benard Shinali, for his continued support and guidance. Together, we have made remarkable strides in advancing development projects that have a tangible impact on the lives of our constituents.

I also remember our colleague, Mr. Gideon Mukhovi Lidwaga, who served with distinction on the committee before his untimely passing. His contributions and dedication to our cause will always be remembered.

I look forward to another year of collective efforts, innovation, and progress. Our vision for a more prosperous Ikolomani remains our guiding force as we continue to serve our constituency with diligence and commitment.

As I close, I would like to express my thanks to Mr. Sylvester Onyango, the Kakamega South Sub County Accountant, for his continuous assistance in keeping proper accounting records, which served as the foundation for creating this annual report and financial accounts. My heartfelt thanks also go to the Fund Account Manager and his team, who have worked diligently to ensure that this report is done correctly and on time.

Sign: 
David Muliru Lisamula
CHAIRMAN NGCDF COMMITTEE

Date: 21/09/2023

IV. Statement of Performance Against Predetermined Objectives for FY 2022/23

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 under 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 NGCDF-Ikolomani Constituency's 2018-2022 Strategic Plan are to:

- a. Improve the standard of living for a majority of the families of the poor and vulnerable
- b. Facilitate access to crucial services to priority sectors and groups
- c. Mobilize investment in productive activities, value chains, and linkages in agriculture and mining
- d. Leverage opportunities by creating synergies with other sectors and partners for the socio-economic transformational agenda of Ikolomani
- e. Strengthen ICT, Culture, Arts, and Sports based enterprises driven by youth and women

Progress on the 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 beneficiaries at all levels | 40 New classrooms, one laboratory, one administration block and dining Hall were constructed to completion. 4,370 secondary students, 1,737 Students and 339 Special School students were awarded bursaries |
| Security | Improve security and maintain law and order in the community. | Constructed Police Stations office | The number of offices constructed. | Constructed one new police station, and One new police post |
| Environment | Improve hygiene standards in schools. | Construction of Modern toilets in schools | The number of toilets built-in primary and | The constituency constructed 5 pit |

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

| | | | | |
|--------|--|--|---|--|
| | | | secondary. | latrines in 5 Primary schools. |
| Sports | Promote peacebuilding activities and enhance community cohesion. | Sports activities for the youth and other vulnerable groups. | The number of Sports Tournaments organized. | Organized 1 tournament where youths were awarded trophies. |

V. Statement of Governance

Introduction

The National Government Constituency Development Fund Committee (NGCDFC) of Ikolomani, guided by the provisions of the National Government Constituency Development Fund Act, 2015, and the National Government Constituency Development Fund Regulations, 2016, presents this statement of governance to articulate our commitment to transparency, accountability, and ethical conduct in the performance of our duties.

Appointment and Removal of NGCDFC Members

The NGCDF Act, 2015, outlines the process for the appointment of NGCDFC members. The members are appointed by the National Government Official at the constituency in accordance with Section 43(6) of the Act. The Act stipulates that the Committee shall comprise of nine members, with representation from various sectors, including education, health, youth, persons with disabilities, and women, among others. Appointments should reflect equitable representation and diversity within the constituency.

The removal of NGCDFC members is subject to the provisions of the Act. A member may be removed from office if they cease to meet the qualifications for their appointment or if they fail to perform their functions effectively, among other reasons outlined in Section 7 of the NGCDF Regulations, 2016.

Roles and Functions of the Committee

The NGCDFC plays a crucial role in promoting development within the constituency. As per the NGCDF Act, 2015, and the NGCDF Regulations, 2016, the primary functions of the Committee include:

1. **Project Identification:** Identifying development projects within the constituency and prioritizing them based on the needs and aspirations of the community.
2. **Project Implementation:** Overseeing the implementation of NG-CDF projects, including budgeting, procurement, and contract management.
3. **Monitoring and Evaluation:** Regularly monitoring and evaluating projects to ensure they meet quality standards, are on schedule, and within budget.
4. **Public Participation:** Engaging the public in the decision-making process, including project identification, to ensure projects align with community needs and priorities.
5. **Financial Management:** Managing NG-CDF funds prudently, including disbursement, utilization, and accounting for funds in accordance with the Public Finance Management Act.
6. **Conflict Resolution:** Addressing disputes and conflicts that may arise during project implementation or other NG-CDF activities.
7. **Annual Work Plans and Budgets:** Preparing annual work plans and budgets for approval by the NGCDF Board.
8. **Reporting:** Submitting regular reports to the NGCDF Board, the National Treasury, and other relevant authorities as required by the Act and Regulations.

Induction and Training of Members

The NGCDFC recognizes the importance of equipping its members with the knowledge and skills necessary to fulfill their roles effectively. Therefore, the Committee conducts induction and training programs for its members.

Members receive training on various aspects, including the NGCDF Act, the NGCDF Regulations, financial management, procurement procedures, project monitoring, and evaluation, among others. This training is essential to ensure that members understand their roles and responsibilities and adhere to the legal and regulatory frameworks governing NG-CDF operations.

Meetings Held

The NGCDFC is expected to hold a minimum of six and a maximum of 24 committee meetings to deliberate on issues, make decisions, and provide oversight. During the year under review we held eleven NGCDFC meetings and six subcommittee meetings. During the meetings, meeting minutes were documented to capture discussions, decisions, and actions taken during these sessions.

Policy on Conflict of Interest

In adherence to the NGCDF Act, 2015 as amended in 2022, and the NGCDF Regulations, 2016, the Committee has established a robust policy on conflict of interest. Members are required to disclose any personal, financial, or other interests that may conflict with their official duties. When conflicts arise, affected members are expected to recuse themselves from discussions or decisions related to the matter in question.

Members Remuneration

Members of the NGCDFC serve on a voluntary basis and do not receive salaries or remuneration for their services. This arrangement is in line with the Act and Regulations, which emphasize the commitment of members to public service and community development.

Ethics and Conduct

The Committee places a high premium on ethics and conduct. Members are expected to uphold the highest standards of integrity, professionalism, and ethical behaviour in the execution of their duties. This includes adhering to the provisions of the Public Officers and Ethics Act.

Risk Management

In the pursuit of our development objectives, the NGCDFC acknowledges the existence of risks. To mitigate these risks, the Committee conducts risk assessments and has developed strategies to manage and address potential challenges that may arise during project implementation or any other NG-CDF activities.

Conclusion

In conclusion, the NGCDFC of Ikolomani reaffirms its commitment to good governance, transparency, and accountability in the execution of its duties. The Committee operates within the framework provided by the NGCDF Act, 2015, and the NGCDF Regulations, 2016, and continually seeks to improve its processes and practices to better serve the people of Ikolomani Constituency.

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Ikolomani 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 2021/2022 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar
- Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- NG-CDF staff Have at least one day in FY to sensitize 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. Ikolomani 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. Ikolomani 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-

Ikolomani NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interest

5. Community Engagements-

Ikolomani 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.

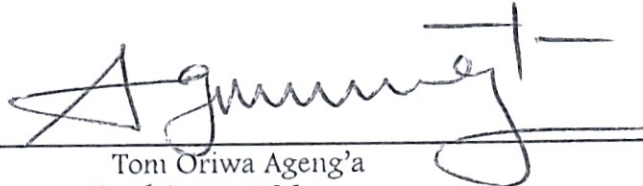
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



Tom Oriwa Ageng'a
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.

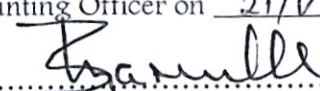
The Accounting Officer in charge of the NGCDF-Ikolomani Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 202X. 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-Ikolomani 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, 202X, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Ikolomani 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.

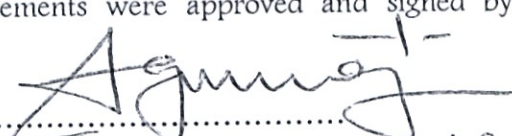
The Accounting Officer in charge of the NGCDF Ikolomani Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Ikolomani Constituency financial statements were approved and signed by the Accounting Officer on 21/09/ 2023.

.....


Name: **DAVID MULIYA LISAMULA**
Chairman – NGCDF Committee

.....


Name: **TOM ORWA AGERE**
Fund Account Manager

Isiolo North Constituency


National Government Constituencies Development Fund (NGCDF)

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

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 Isiolo North constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Isiolo North Constituency financial statements were approved and signed by the Accounting Officer on 7/09/2023

.....


Name: Alfred Tinani

Chairman – NGCDF Committee

.....


Name: David Kaberia Murungi

Fund Account Manager

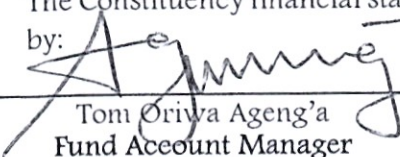
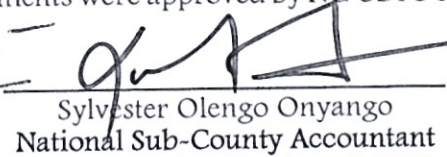
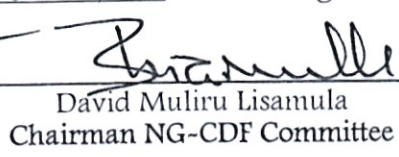
*Ikolomani Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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

| | | 2022-2023 | 2021-2022 |
|---|----|--------------------|--------------------|
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Transfers from NGCDF Board | 1 | 87,000,000 | 182,977,758 |
| Other Receipts | 3 | - | 470,000 |
| | | <u>87,000,000</u> | <u>183,447,758</u> |
| Payments for operating activities | | | |
| Compensation of Employees | 4 | 4,584,283 | 4,497,595 |
| Committee expenses | 5 | 3,136,070 | 3,340,000 |
| Use of goods and services | 6 | 7,309,982 | 8,012,016 |
| Transfers to Other Government Units | 7 | 39,000,000 | 125,870,000 |
| Other grants and transfers | 8 | 34,455,400 | 40,014,812 |
| Oversight Committee Expenses | 10 | 1,196,861 | - |
| Other Payments | 11 | - | - |
| | | <u>89,682,596</u> | <u>181,734,423</u> |
| Adjusted for: | | | |
| Decrease/(Increase) in Accounts receivable | 17 | - | - |
| Increase/(Decrease) in Accounts Payable | 18 | - | - |
| Prior year Adjustments | 16 | - | - |
| Net Adjustments | | - | - |
| Net cash flow from operating activities | | <u>(2,682,596)</u> | <u>1,713,335</u> |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | 2 | - | - |
| Acquisition of Assets | 9 | (100,000) | - |
| Net cash flows from Investing Activities | | <u>(100,000)</u> | <u>-</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | <u>(2,782,596)</u> | <u>1,713,335</u> |
| Cash and cash equivalent at BEGINNING of the year | 12 | 8,388,120 | 6,674,785 |
| Cash and cash equivalent at END of the year | | <u>5,605,524</u> | <u>8,388,120</u> |

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

The Constituency financial statements were approved by NG CDFC on 21/09/ 2023 and signed by:

| | | |
|---|--|---|
|  |  |  |
| Tom Oriwa Ageng'a Fund Account Manager | Sylvester Olengo Onyango National Sub-County Accountant ICPAK Member Number: 24730 | David Muliru Lisamula Chairman NG-CDF Committee |

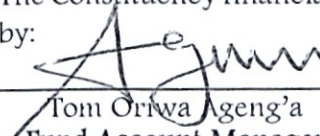
*Ikolomani Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

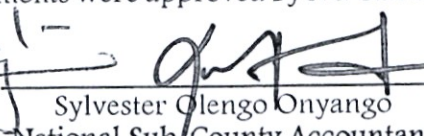
X. Statement Of Assets and Liabilities as at 30th June, 2023

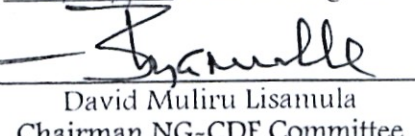
| | Note | 2022-2023 Kshs | 2021-2022 Kshs |
|--|------|-------------------|-------------------|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 12A | 5,605,524 | 8,388,120 |
| Cash Balances (cash at hand) | 12B | - | - |
| Total Cash and Cash Equivalents | | 5,605,524 | 8,388,120 |
| Accounts Receivable | | | |
| Outstanding Imprests | 13 | - | - |
| TOTAL FINANCIAL ASSETS | | 5,605,524 | 8,388,120 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 14A | - | - |
| Gratuity | 14B | - | - |
| NET FINANCIAL ASSETS | | 5,605,524 | 8,388,120 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 15 | 8,388,120 | 6,674,785 |
| Prior year adjustments | 16 | - | - |
| Surplus/Deficit for the year | | (2,782,596) | 1,713,335 |
| NET FINANCIAL POSITION | | 5,605,524 | 8,388,120 |

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

The Constituency financial statements were approved by NG CDFC on 21/09/ 2023 and signed by:


Tom Oriwa Ageng'a
Fund Account Manager


Sylvester Olengo Onyango
National Sub-County Accountant
ICPAK Member Number: 24730


David Muliru Lisamula
Chairman NG-CDF Committee

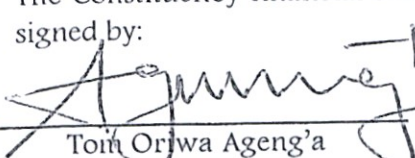
*Ikolomani Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

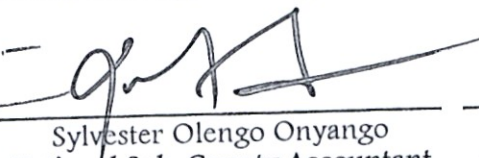
IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

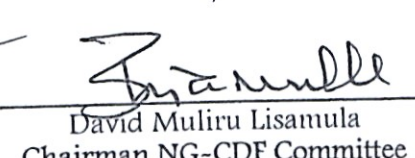
| | Note | 2022-2023 Kshs | 2021-2022 Kshs |
|-------------------------------------|------|--------------------|--------------------|
| RECEIPTS | | | |
| Transfers from NGCDF Board | 1 | 87,000,000 | 182,977,758 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | 470,000 |
| TOTAL RECEIPTS | | 87,000,000 | 183,447,758 |
| PAYMENTS | | | |
| Compensation of employees | 4 | 4,584,283 | 4,497,595 |
| Committee expenses | 5 | 3,136,070 | 3,340,000 |
| Use of goods and services | 6 | 7,309,982 | 8,012,016 |
| Transfers to Other Government Units | 7 | 39,000,000 | 125,870,000 |
| Other grants and transfers | 8 | 34,455,400 | 40,014,812 |
| Acquisition of Assets | 9 | 100,000 | - |
| Oversight Committee Expenses | 10 | 1,196,861 | - |
| Other Payments | 11 | - | - |
| TOTAL PAYMENTS | | 89,782,596 | 181,734,423 |
| SURPLUS/DEFICIT | | (2,782,596) | 1,713,335 |

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

The Constituency financial statements were approved by the NGCDFC on 21/09/ 2023 and signed by:


Tom Orwa Ageng'a
Fund Account Manager


Sylvester Olengo Onyango
National Sub-County Accountant
ICPAK Member Number: 24730


David Muliru Lisamula
Chairman NG-CDF Committee

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purposes.
- 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 under 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 - Ikolomani Constituency set out on pages 1 to 51, 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

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

Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Ikolomani 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

Unsupported Project Management Committee Account Balances

Note 19.4 to the financial statements reflects Project Management Committee (PMC) account balances amounting to Kshs.11,402,759 which, as disclosed in Annex 5, comprises of balances held by Project Management Committees in sixty-four (64) bank accounts. However, bank reconciliation statements, cash books and certificates of bank balances for seventy-three (73) accounts with balances totalling Kshs.6,931,462 were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC account balance of Kshs.6,931,462 could not be explained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Ikolomani 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 receipts budget and actual on comparable basis amounts of Kshs.146,603,153 and Kshs.95,388,120 respectively, resulting to under-funding of Kshs.51,215,033 or 35% of the budget. However, the Fund spent Kshs.89,782,596 against actual receipts of Kshs.95,388,120 resulting to under-utilization of Kshs.5,605,524.

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 Matters

In the audit report of the previous year, several issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. Although Management indicated that the issues had been resolved, the matters remained unresolved since Parliament had not deliberated and concluded on them 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 matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Project Implementation Status

During the year under review, the Fund had planned to implement fifty (50) projects valued at Kshs.124,610,190. However, three (3) or 6% of the projects valued at Kshs.5,380,000 had not started and twenty-eight (28) or 56% of the projects valued at Kshs.65,710,200 were not completed.

In the circumstances, value for money was not obtained from the three (3) projects that had not started and the twenty-eight (28) incomplete projects.

2. Transfers to Other Government Entities

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflects expenditure amounting to Kshs.39,000,000 as transfers to other Government entities. Included in this amount are disbursements totaling Kshs.9,930,000 transferred to Shianjetso primary school and Kenya Medical Training College - Ikolomani Campus for various projects. However, physical inspection carried out in the month of March, 2024 revealed that the projects were incomplete and were not done as per the approved bill of quantities.

In the circumstances, value for money was not obtained from the projects.

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

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

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 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 processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 June, 2024

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

| Receipt/Expense Item | Original Budget | | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|--------------------|--------------------------------|--|--------------------|----------------------------|-------------------------------|------------------|
| | a | | b | c=a+b | d | e=c-d | f=d/c% |
| RECEIPTS | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| Transfers from NG-CDF Board | 138,215,033 | 8,388,120 | - | 146,603,153 | 95,388,120 | 51,215,033 | 65.1% |
| Proceeds from Sale of Assets | - | - | - | - | - | - | - |
| Other Receipts | - | - | - | - | - | - | - |
| TOTAL RECEIPTS | 138,215,033 | 8,388,120 | - | 146,603,153 | 95,388,120 | 51,215,033 | 65.1% |
| PAYMENTS | | | | | | | |
| Compensation of Employees | 4,603,540 | 218,834 | - | 4,822,374 | 4,584,283 | 238,091 | 95.1% |
| Committee expenses | 1,974,000 | 1,221,208 | - | 3,195,208 | 3,136,070 | 59,138 | 98.1% |
| Use of goods and services | 5,614,303 | 1,933,319 | - | 7,547,622 | 7,309,982 | 237,640 | 96.9% |
| Transfers to Other Government Units | 80,530,000 | - | - | 80,530,000 | 39,000,000 | 41,530,000 | 48.4% |
| Other Grants and Transfers | 38,953,190 | 4,544,759 | - | 43,497,949 | 34,455,400 | 9,042,549 | 79.2% |
| Acquisition of Assets | 100,000 | - | - | 100,000 | 100,000 | - | 100.0% |
| Oversight Committee Expenses | 1,200,000 | - | - | 1,200,000 | 1,196,861 | 3,139 | 99.7% |
| Other Payments | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 | 0.0% |
| Unallocated Fund | 3,240,000 | 470,000 | - | 3,710,000 | - | 3,710,000 | 0.0% |
| TOTAL | 138,215,033 | 8,388,120 | - | 146,603,153 | 89,782,596 | 56,820,557 | 61.2% |

- i. Underutilisation in Transfers to Other government entities, other grants and transfers and other payments was because of incomplete disbursement of budgeted funds at the end of the financial year.
- ii. Unallocated fund consists of Appropriations in Aid of Kshs 470,000 and projects pending approval by the NGCDF Board of KShs 3, 240,000

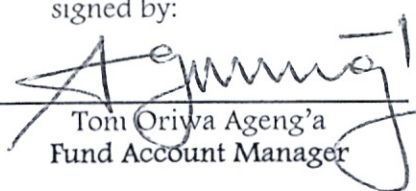
Ikolomani Constituency

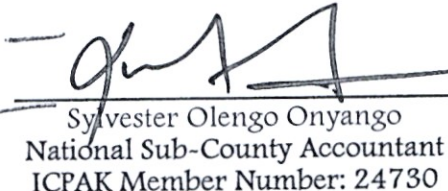
National Government Constituencies Development Fund (NGCDF)

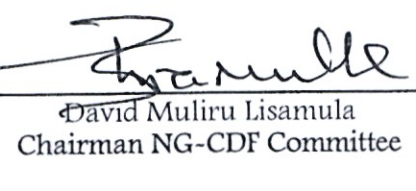
Annual Report and Financial Statements for The Year Ended June 30, 2023

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|------------|
| Description | Amount |
| Budget Utilisation difference totals | 56,820,557 |
| Less undisbursed funds receivable from the Board as at 30th June 2023 | 51,215,033 |
| | 5,605,524 |
| Add Accounts payable | - |
| Less Accounts Receivable | - |
| Add/Less Prior Year Adjustments | - |
| Cash and Cash Equivalents at the end of the FY 2022/2023 | 5,605,524 |

The Constituency financial statements were approved by NG CDFC on 21/09/ 2023 and signed by:


Tom Oriwa Ageng'a
Fund Account Manager


Sylvester Olengo Onyango
National Sub-County Accountant
ICPAK Member Number: 24730


David Muliru Lisamula
Chairman NG-CDF Committee

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

XIII. Budget Execution by Sectors and Projects for The Year Ended 30th June 2023

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|----------------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 1.0 Administration and Recurrent | | | | | | | |
| 1.1 Compensation of employees | 4,603,540 | 218,834 | | 4,822,374 | 4,584,283 | 238,091 | 95% |
| 1.2 Committee allowances | 934,000 | 1,221,208 | | 2,155,208 | 2,096,070 | 59,138 | 97% |
| 1.3 Use of goods and services | 3,824,303 | 1,319 | | 3,825,622 | 3,618,761 | 206,861 | 95% |
| Total | 9,361,843 | 1,441,361 | - | 10,803,204 | 10,299,114 | 504,090 | 95% |
| 2.0 Monitoring and evaluation | | | | | | - | |
| 2.1 Capacity building | 760,000 | 2,000 | - | 762,000 | 762,000 | - | 100% |
| 2.2 Committee allowances | 1,040,000 | - | - | 1,040,000 | 1,040,000 | - | 100% |
| 2.3 Use of goods and services | 1,030,000 | 1,930,000 | - | 2,960,000 | 2,929,221 | 30,779 | 99% |
| Total | 2,830,000 | 1,932,000 | - | 4,762,000 | 4,731,221 | 30,779 | 99% |
| 3.0 Emergency | | | | | | | |
| 3.1 Primary Schools | 2,260,000 | 1,000,000 | - | 3,260,000 | 3,260,000 | - | 100% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f =d/c %) |
|--|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 3.2 Others | 823,600 | - | - | 823,600 | 823,600 | - | 100% |
| 3.3 Unutilised | 4,552,590 | 44,759 | - | 4,597,349 | - | 4,597,349 | 0% |
| Total | 7,636,190 | 1,044,759 | - | 8,680,949 | 4,083,600 | 4,597,349 | 47% |
| 4.0 Bursary and Social Security | | | | - | | | |
| 4.1 Secondary Schools | 18,147,200 | - | - | 18,147,200 | 17,835,500 | 311,700 | 98% |
| 4.2 Tertiary Institutions | 5,000,000 | - | - | 5,000,000 | 4,724,500 | 275,500 | 94% |
| 4.3 Social Security | 1,980,000 | - | - | 1,980,000 | - | 1,980,000 | 0% |
| 4.4 Special Needs | 700,000 | - | - | 700,000 | 639,000 | 61,000 | 91% |
| 4.5 Geometrical Sets | 672,800 | - | - | 672,800 | 672,800 | - | 100% |
| Total | 26,500,000 | - | - | 26,500,000 | 23,871,800 | 2,628,200 | 90% |
| 5.0 Sports | | | | | | | |
| 5.1 Constituency Sports Tournament | 1,087,000 | 500,000 | | 1,587,000 | 500,000 | 1,087,000 | 32% |
| 5.2 Regional Sports Tournament | 300,000 | - | | 300,000 | - | 300,000 | 0% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|------------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| Total | 1,387,000 | 500,000 | - | 1,887,000 | 500,000 | 1,387,000 | 26% |
| 6.0 Environment | | | | | | | |
| 6.1 Tree Planting | 200,000 | - | | 200,000 | - | 200,000 | 0% |
| Total | 200,000 | - | - | 200,000 | - | 200,000 | 0% |
| 7.0 Primary Schools Projects | | | | | | | |
| 7.1 Burendwa Primary School | 1,500,000 | - | | 1,500,000 | - | 1,500,000 | 0% |
| 7.2 Bushiangala Primary Sch | 2,000,000 | - | | 2,000,000 | - | 2,000,000 | 0% |
| 7.3 Iluya Primary School | 3,000,000 | - | | 3,000,000 | - | 3,000,000 | 0% |
| 7.4 Imalaba Primary School | 470,000 | - | | 470,000 | 470,000 | - | 100% |
| 7.5 Imbale Primary School | 3,000,000 | - | | 3,000,000 | 2,000,000 | 1,000,000 | 67% |
| 7.6 Irechelo Primary School | 1,000,000 | - | | 1,000,000 | - | 1,000,000 | 0% |
| 7.7 Iremele Primary School | 2,800,000 | - | | 2,800,000 | - | 2,800,000 | 0% |
| 7.8 Isulu Primary School | 3,000,000 | - | | 3,000,000 | - | 3,000,000 | 0% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|--|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 7.9 Itulubini Primary School | 1,000,000 | - | | 1,000,000 | - | 1,000,000 | 0% |
| 7.10 Lusiola Primary School | 1,120,000 | - | | 1,120,000 | - | 1,120,000 | 0% |
| 7.11 Lusui Primary School | 1,000,000 | - | | 1,000,000 | 1,000,000 | - | 100% |
| 7.12 Mukoyani Primary Sch | 1,515,000 | - | | 1,515,000 | 1,000,000 | 515,000 | 66% |
| 7.13 Shiduha Primary School | 1,000,000 | - | | 1,000,000 | 1,000,000 | - | 100% |
| 7.14 Shiveye Primary School | 3,000,000 | - | | 3,000,000 | 2,500,000 | 500,000 | 83% |
| 7.15 St. Angela Eregi Girls Boarding Primary School. | 1,250,000 | - | | 1,250,000 | - | 1,250,000 | 0% |
| 7.16 Imulama Primary School | 1,965,000 | - | | 1,965,000 | 1,400,000 | 565,000 | 71% |
| 7.17 Imusali Primary School | 2,800,000 | - | | 2,800,000 | 2,500,000 | 300,000 | 89% |
| 7.18 Ishieywe Primary School | 3,000,000 | - | | 3,000,000 | - | 3,000,000 | 0% |
| 7.19 Kimingini Primary School | 2,800,000 | - | | 2,800,000 | 2,500,000 | 300,000 | 89% |
| 7.20 Madivini Primary School | 2,160,000 | - | | 2,160,000 | 2,000,000 | 160,000 | 93% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|------------------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | | Kshs | Kshs | Kshs | |
| 7.21 Makhokho Primary Sch | 2,800,000 | - | | 2,800,000 | 2,500,000 | 300,000 | 89% |
| 7.22 Malinya Primary School | 2,800,000 | - | | 2,800,000 | - | 2,800,000 | 0% |
| 7.23 Matundu Primary School | 660,000 | - | | 660,000 | - | 660,000 | 0% |
| 7.24 Mutaho Girls Secondary School | 1,305,000 | - | | 1,305,000 | - | 1,305,000 | 0% |
| 7.25 Mwikhomo Primary Sch | 3,000,000 | - | | 3,000,000 | - | 3,000,000 | 0% |
| 7.26 Naliava Primary School | 240,000 | - | | 240,000 | - | 240,000 | 0% |
| 7.27 Shianjetso Primary School | 2,800,000 | - | | 2,800,000 | 1,930,000 | 870,000 | 69% |
| 7.28 Shikhombelo Primary Sch | 1,660,000 | - | | 1,660,000 | 1,000,000 | 660,000 | 60% |
| 7.29 Shikumu Primary School | 2,800,000 | - | | 2,800,000 | - | 2,800,000 | 0% |
| 7.30 Shirumba Primary School | 3,000,000 | - | | 3,000,000 | 2,500,000 | 500,000 | 83% |
| 7.31 Shitechia Primary School | 3,000,000 | - | | 3,000,000 | 2,500,000 | 500,000 | 83% |
| Total | 63,445,000 | - | - | 63,445,000 | 26,800,000 | 36,645,000 | 42% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|--|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | | Kshs | Kshs | Kshs | |
| 8.0 Secondary Schools Projects | | | | | 3,000,000 | | |
| 8.1 St. Annes Musoli Girls High School | 3,000,000 | - | | 3,000,000 | | - | 100% |
| 8.2 St. Bonaventure Shimanyiro Sec School | 1,570,000 | - | | 1,570,000 | 1,000,000 | 570,000 | 64% |
| 8.3 Friends School Lirhembe Secondary School | 1,955,000 | - | | 1,955,000 | - | 1,955,000 | 0% |
| 8.4 Sabane Secondary School | 360,000 | - | | 360,000 | - | 360,000 | 0% |
| 8.5 St. Joseph Shichinji Secondary School | 200,000 | - | | 200,000 | 200,000 | - | 100% |
| Total | 7,085,000 | - | - | 7,085,000 | 4,200,000 | 2,885,000 | 59% |
| 9.0 Tertiary institutions Projects | | | | | | | |
| 9.1 KMTC-Ikolomani Campus | 10,000,000 | - | | 10,000,000 | 8,000,000 | 2,000,000 | 80% |
| Total | 10,000,000 | - | - | 10,000,000 | 8,000,000 | 2,000,000 | 80% |
| 10.0 Security Projects | | | | | | | |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f = d/c %) |
|---|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | | Kshs | Kshs | Kshs | |
| 10.1 Iguhu Police Station | 3,000,000 | 3,000,000 | | 6,000,000 | 6,000,000 | - | 100% |
| 10.2 Kakamega South District HQs | 230,000 | - | | 230,000 | - | 230,000 | 0% |
| Total | 3,230,000 | 3,000,000 | - | 6,230,000 | 6,000,000 | 230,000 | 96% |
| 11.0 Acquisition of assets | | | | | | | |
| 11.1 Purchase of Office furniture | 100,000 | - | - | 100,000 | 100,000 | - | 100% |
| Total | 100,000 | - | - | 100,000 | 100,000 | - | 100% |
| 12.0 Oversight Committee Expenses(itemize) | | | | | | | |
| 12.1 Committee allowances | 604,000 | - | - | 604,000 | 601,000 | 3,000 | 100% |
| 12.2 Use of Goods and Services | 596,000 | - | - | 596,000 | 595,861 | 139 | 100% |
| Total | 1,200,000 | - | - | 1,200,000 | 1,196,861 | 3,139 | 100% |
| 13.0 Other payments | | | | | | | |
| 13.1 Ikolomani NGCDF Strategic Plan | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 | 0% |
| Total | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 | 0% |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f =d/c %) |
|--------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 14.0 unallocated fund | | | | | | | |
| 14.1 Unapproved projects | 3,240,000 | - | | 3,240,000 | - | 3,240,000 | 0% |
| 14.2 AIA | - | 470,000 | - | 470,000 | | 470,000 | 0% |
| Total | 3,240,000 | 470,000 | - | 3,710,000 | - | 3,710,000 | 0% |
| GRAND TOTAL | 138,215,033 | 8,388,120 | - | 146,603,153 | 89,782,596 | 56,820,557 | 61% |

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-Ikolomani 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 30th June 2022 for the period 1st July 2022 to 30th 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.

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

Notes to the Financial Statements (Continued)

| 4. Compensation Of Employees | 2022-2023 | 2021-2022 |
|--|------------------|------------------|
| Description | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 3,645,459 | 3,518,606 |
| Basic wages of casual labour | - | 160,000 |
| Personal allowances paid as part of salary | | |
| House allowance | - | - |
| Transport allowance | - | - |
| Leave allowance | - | - |
| Gratuity-contractual employees | 724,264 | 708,829 |
| Employer Contributions Compulsory national social security schemes | 214,560 | 110,160 |
| TOTAL | 4,584,283 | 4,497,595 |

| 5. Committee Expenses | 2022-2023 | 2021-2022 |
|--------------------------|------------------|------------------|
| Description | Kshs | Kshs |
| Sitting allowance | 552,570 | 1,035,000 |
| Other committee expenses | 2,583,500 | 2,305,000 |
| TOTAL | 3,136,070 | 3,340,000 |

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

Notes to the Financial Statements (Continued)

6. Use of Goods and services

| Description | 2022-2023 | 2021-2022 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | 4,660 | 32,824 |
| Communication, supplies and services | 194,450 | 312,231 |
| Domestic travel and subsistence | 1,100,324 | 1,435,498 |
| Printing, advertising and information supplies & services | 21,900 | 37,900 |
| Rentals of produced assets | - | 1,866,140 |
| Training expenses | 406,000 | 60,500 |
| Hospitality supplies and services | 835,630 | 1,579,840 |
| Insurance costs | 21,737 | - |
| Specialised materials and services | - | 79,200 |
| Office and general supplies and services | 2,626,590 | 1,193,983 |
| Fuel, oil & lubricants | 150,000 | 100,000 |
| Other operating expenses | 1,070,720 | - |
| Bank Charges | 2,400 | 33,000 |
| Contracted Professional Services - e.g. Strategic Plan | - | 40,700 |
| Security operations | - | - |
| Routine maintenance - vehicles and other transport equipment | 240,671 | 677,010 |
| Routine maintenance- other assets | 634,900 | 563,190 |
| TOTAL | 7,309,982 | 8,012,016 |

7. Transfer To Other Government Units

| Description | 2022-2023 | 2021-2022 |
|------------------------------------|-------------------|--------------------|
| | Kshs | Kshs |
| Transfers to Primary Schools | 26,800,000 | 90,500,000 |
| Transfers to Secondary Schools | 4,200,000 | 22,570,000 |
| Transfers to Tertiary Institutions | 8,000,000 | 12,800,000 |
| TOTAL | 39,000,000 | 125,870,000 |

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

Notes to the Financial Statements (Continued)

8. Other Grants and Other transfers

| Description | 2022-2023 | 2021-2022 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary - Secondary (see attached list) | 17,835,500 | 13,109,812 |
| Bursary -Tertiary (see attached list) | 4,724,500 | 8,682,500 |
| Bursary- Special Schools | 639,000 | 1,692,500 |
| Mocks & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | 1,980,000 |
| Geometrical Sets | 672,800 | - |
| Security Projects (see attached list) | 6,000,000 | 6,500,000 |
| Sports Projects (see attached list) | 500,000 | 2,000,000 |
| Environment Projects (see attached list) | - | 150,000 |
| Emergency Projects (see attached list) | 4,083,600 | 5,900,000 |
| Roads Projects | - | - |
| TOTAL | 34,455,400 | 40,014,812 |

9. Acquisition Of Assets

| Description | 2022-2023 | 2021-2022 |
|--|----------------|-----------|
| | Kshs | Kshs |
| Purchase of Buildings | - | - |
| Construction of Buildings | - | - |
| Refurbishment of Buildings | - | - |
| Purchase of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of office furniture and General Equipment | 100,000 | - |
| Purchase of ICT Equipment, Software and Other ICT Assets | - | - |
| Purchase of Specialized Plant, Equipment and Machinery | - | - |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | - | - |
| Acquisition of Land | - | - |
| Acquisition of Intangible Assets | - | - |
| TOTAL | 100,000 | - |

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

Notes to the Financial Statements (Continued)

10. Oversight Committee Expenses

| Description | 2022-2023 Kshs | 2021-2022 Kshs |
|-----------------------|-------------------|-------------------|
| COC Members allowance | 601,000 | - |
| Other COC expenses | 595,861 | - |
| TOTAL | 1,196,861 | - |

11. Other Payments

| Description | 2022-2023 Kshs | 2021-2022 Kshs |
|----------------|-------------------|-------------------|
| Strategic Plan | - | - |
| ICT Hubs | - | - |
| TOTAL | - | - |

12. Cash Book Bank Balance

| Name of Bank, Account No. & currency | 2022-2023 Kshs (30/6/2023) | 2021-2022 Kshs (30/6/2022) |
|---|----------------------------------|----------------------------------|
| <i>Equity Bank, A/C no.0500279859123, Kakamega Branch</i> | 5,605,524 | 8,388,120 |
| TOTAL | 5,605,524 | 8,388,120 |

12B: CASH IN HAND)

| Description | 2022-2023 Kshs (30/6/2023) | 2021-2022 Kshs (30/6/2022) |
|--------------------------|----------------------------------|----------------------------------|
| Location 1 | - | - |
| Location 2 | - | - |
| Location 3 | - | - |
| Other receipts (specify) | - | - |
| TOTAL | - | - |

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

Notes to the Financial Statements (Continued)

13. Outstanding Imprests

| Name of Officer | Date imprest taken | Amount Taken | Amount Surrendered | Balance |
|-----------------|--------------------|--------------|--------------------|---------|
| | | Kshs | Kshs | Kshs |
| | | - | - | - |
| | | - | - | - |
| | | - | - | - |
| | | - | - | - |
| | | - | - | - |
| | | - | - | - |
| <i>TOTAL</i> | | - | - | - |

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

Notes to the Financial Statement Continued

14. Retention and Gratuity

14A Retention

| | 2022-2023 | 2021-2022 |
|--|-----------|-----------|
| | KShs | KShs |
| Retention as at 1st July (A) | - | - |
| Retention held during the year (B) | - | - |
| Retention paid during the Year (C) | - | - |
| Closing Retention as at 30th June D= A+B-C | - | - |

14 B Gratuity

| | 2022-2023 | 2021-2022 |
|---|-----------|-----------|
| | KShs | KShs |
| Gratuity as at 1 st July (A) | - | - |
| Gratuity held during the year (B) | 724,264 | - |
| Gratuity paid during the Year (C) | 724,264 | - |
| Closing Gratuity as at 30 th June D= A+B-C | - | - |

15. Fund Balance B/F

| Description | 2022-2023 | 2021-2022 |
|---------------|------------------|------------------|
| | Kshs | Kshs |
| | (1/7/2022) | (1/7/2021) |
| Bank accounts | 8,388,120 | 6,674,785 |
| Cash in hand | - | - |
| Imprest | - | - |
| TOTAL | 8,388,120 | 6,674,785 |

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

Notes to the Financial Statements (Continued)

16. Prior Year Adjustments

| Description of the error | Balance b/f | Adjustments | Adjusted Balance |
|--------------------------|--|-------------|--------------------|
| | FY2021/2022 as per Audited Financial statements | | b/f FY2020/2021 |
| | Kshs | Kshs | Kshs |
| Bank accounts balances | - | - | - |
| Cash in hand | - | - | - |
| Accounts Payable | - | - | - |
| Receivables | - | - | - |
| Others (specify) | - | - | - |
| Total | - | - | - |

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

17. Changes In Accounts Receivable – Outstanding Imprests

| Description | 2022-2023 | 2021-2022 |
|--|-----------|-----------|
| | Kshs | Kshs |
| Outstanding Imprest as at 1st July (A) | - | - |
| Imprest issued during the year (B) | - | - |
| Imprest surrendered during the Year (C) | - | - |
| Closing accounts receivable as at 30th June 2022 (D=A+B-C) | - | - |
| Net changes in accounts receivables D-A | - | - |

18. Changes In Accounts Payable – Deposits and Retentions

| Description | 2022-2023 | 2021-2022 |
|---|-----------|-----------|
| | Kshs | Kshs |
| Deposits and Retention as a t 1st July 2019 (A) | - | - |
| Deposits and Retention held during the year (B) | - | - |
| Deposits and Retention paid during the year © | - | - |
| Closing accounts payable at 30th June (D=A+B-C) | - | - |
| Net changes in accounts payables D-A | - | - |

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

Notes to the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

| Description | 2022-2023 | 2021-2022 |
|-----------------------------|-----------|-----------|
| | Kshs | Kshs |
| Construction of buildings | - | - |
| Construction of civil works | - | - |
| Supply of goods | - | - |
| Supply of services | - | - |
| TOTAL | - | - |

19.2: PENDING STAFF PAYABLES (See Annex 2)

| Description | 2022-2023 | 2021-2022 |
|------------------|-----------|-----------|
| | Kshs | Kshs |
| NGCDF Staff | - | - |
| Others (specify) | - | - |
| TOTAL | - | - |

19.3: UNUTILISED FUNDS (See Annex 3)

| Description | 2022-2023 | 2021-2022 |
|---|-------------------|------------------|
| | Kshs | Kshs |
| Compensation of employees | 238,091 | 218,834 |
| Use of goods and services | 296,778 | 4,526 |
| Amounts due to other Government entities (see attached list) | 41,530,000 | - |
| Amounts due to other grants and other transfers (see attached list) | 9,042,549 | 5,894,760 |
| Acquisition of assets | - | 1,800,000 |
| Oversight Committee Expenses | 3,139 | - |
| Others (<i>specify</i>) | 2,000,000 | - |
| Funds pending approval | 3,710,000 | 470,000 |
| Total | 56,820,557 | 8,388,120 |

19.4: PMC ACCOUNT BALANCES (See Annex 4)

| Description | 2022-2023 | 2021-2022 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | 11,402,759 | 21,658,067 |
| TOTAL | 11,402,759 | 21,658,067 |

XVI Annexes

Annexes: 1 Analysis of Pending Accounts Payable

| Supplier of Goods or Services | Original Amount | | Date Contracted | Amount Paid To-Date | Outstanding Balance | Outstanding Balance | Comments |
|-------------------------------|-----------------|------|-----------------|---------------------|---------------------|---------------------|----------|
| | | | | | 2022-2023 | 2021-2022 | |
| | a | | b | c | d=a-c | | |
| | Kshs | Kshs | | | Kshs | Kshs | |
| Construction of buildings | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Sub-Total | | | | | | | |
| Construction of civil works | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Sub-Total | | | | | | | |
| Supply of goods | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Sub-Total | | | | | | | |
| Supply of services | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Sub-Total | | | | | | | |
| Grand Total | | | | | | | |

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

Annex 2 - Analysis of Pending Staff Payables

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

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

Annex 3 – Unutilized Fund

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|---|---|--|---|-------------------------------------|
| 1.0 Administration and Recurrent | | | | |
| 1.1 Compensation of employees | To facilitate payment of NGCDFC Employees | 238,091 | 218,834 | Unutilised balance held with NGCDFC |
| 1.2 Committee allowances | To facilitate payment of NGCDFC Allowances | 59,138 | 1,221,208 | |
| 1.3 Use of goods and services | To facilitate payment of expenses incurred by NGCDFC | 206,861 | 1,319 | |
| Sub-Total | | 504,090 | 1,441,361 | |
| 2.0 Monitoring and evaluation | | | | |
| 2.1 Capacity building | To facilitate trainings held by NGCDFC | - | 2,000 | |
| 2.2 Committee allowances | To facilitate payment of NGCDFC Allowances | - | - | |
| 2.3 Use of goods and services | To facilitate payment of expenses incurred by NGCDFC | 30,779 | 1,930,000 | |
| Sub-Total | | 30,779 | 1,932,000 | |
| Amounts due to other Government entities | | | | |
| Burendwa Primary School | Construction of a storey building accomodating 8 Classrooms | 1,500,000 | - | Funds not disbursed by NGCDF Board |
| Bushiangala Primary School | Construction of a storey building accomodating 8 Classrooms | 2,000,000 | - | Funds not disbursed by NGCDF Board |
| Iluya Primary School | Construction of a storey building accomodating 8 Classrooms | 3,000,000 | - | Funds not disbursed by NGCDF Board |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|--------------------------|---|--|---|------------------------------------|
| Imalaba Primary School | Construction of a storey building accomodating 8 Classrooms | - | - | Funds not disbursed by NGCDF Board |
| Imbale Primary School | Construction of a storey building accomodating 8 Classrooms | 1,000,000 | - | Funds not disbursed by NGCDF Board |
| Irechelo Primary School | Purchase of land for school expansion | 1,000,000 | - | Funds not disbursed by NGCDF Board |
| Iremele Primary School | Construction of a storey building accomodating 8 Classrooms | 2,800,000 | - | Funds not disbursed by NGCDF Board |
| Isulu Primary School | Construction of a storey building accomodating 8 Classrooms | 3,000,000 | - | Funds not disbursed by NGCDF Board |
| Itulubini Primary School | Purchase of land for school expansion | 1,000,000 | - | Funds not disbursed by NGCDF Board |
| Lusiola Primary School | Construction of a storey building accomodating 8 Classrooms | 1,120,000 | - | Funds not disbursed by NGCDF Board |
| Lusui Primary School | Construction of a storey building accomodating 8 Classrooms | - | - | Funds not disbursed by NGCDF Board |
| Mukoyani Primary School | Additional funds for the Construction of 3 classrooms | 515,000 | - | Funds not disbursed by NGCDF Board |
| Shidutha Primary School | Renovation to completion of 2 classrooms | - | - | Funds not disbursed by NGCDF Board |
| Shiveye Primary School | Construction of a storey building accomodating 8 Classrooms | 500,000 | - | Funds not disbursed by NGCDF Board |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|---|--|--|---|------------------------------------|
| St. Angela Eregi Girls Boarding Primary School. | Additional funds for the completion of Renovations of 9 classrooms | 1,250,000 | - | Funds not disbursed by NGCDF Board |
| Imulama Primary School | Construction of a storey building accommodating 8 Classrooms | 565,000 | - | Funds not disbursed by NGCDF Board |
| Imusali Primary School | Construction of a storey building accommodating 8 Classrooms | 300,000 | - | Funds not disbursed by NGCDF Board |
| Ishieywe Primary School | Construction of a storey building accommodating 8 Classrooms | 3,000,000 | - | Funds not disbursed by NGCDF Board |
| Kimingini Primary School | Construction of a storey building accommodating 8 Classrooms | 300,000 | - | Funds not disbursed by NGCDF Board |
| Madivini Primary School | Construction of a storey building accommodating 8 Classrooms | 160,000 | - | Funds not disbursed by NGCDF Board |
| Makhokho Primary School | Construction of a storey building accommodating 8 Classrooms | 300,000 | - | Funds not disbursed by NGCDF Board |
| Malinya Primary School | Construction of a storey building accommodating 8 Classrooms | 2,800,000 | - | Funds not disbursed by NGCDF Board |
| Matundu Primary School | Construction of a storey building accommodating 8 Classrooms | 660,000 | - | Funds not disbursed by NGCDF Board |
| Mutaho Girls Secondary School | Construction of a storey building accommodating 8 Classrooms | 1,305,000 | - | Funds not disbursed by NGCDF Board |
| Mwikhomo Primary School | Construction of a storey building accommodating 8 Classrooms | 3,000,000 | - | Funds not disbursed by NGCDF Board |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|--|--|--|---|------------------------------------|
| Naliava Primary School | Construction of a storey building accommodating 8 Classrooms | 240,000 | - | Funds not disbursed by NGCDF Board |
| Shianjetso Primary School | Construction of a storey building accommodating 8 Classrooms | 870,000 | - | Funds not disbursed by NGCDF Board |
| Shikhombelo Primary School | Construction of a storey building accommodating 8 Classrooms | 660,000 | - | Funds not disbursed by NGCDF Board |
| Shikumu Primary School | Construction of a storey building accommodating 8 Classrooms | 2,800,000 | - | Funds not disbursed by NGCDF Board |
| Shirumba Primary School | Construction of a storey building accommodating 8 Classrooms | 500,000 | - | Funds not disbursed by NGCDF Board |
| Shitechia Primary School | Construction of a storey building accommodating 8 Classrooms | 500,000 | - | Funds not disbursed by NGCDF Board |
| St. Bonaventure Shimanyiro Sec School | construction of a storey building accommodating a twin laboratory & 2 classrooms | 570,000 | - | Funds not disbursed by NGCDF Board |
| Friends School Lirhembe Secondary School | Additional funds for the Completion of the construction of a library | 1,955,000 | - | Funds not disbursed by NGCDF Board |
| Sabane Secondary School | Additional funds for the completion of construction of an administration block | 360,000 | - | Funds not disbursed by NGCDF Board |
| KMTC-Ikolomani Campus | Additional funds for the ongoing construction of a storey building accommodating six lecture halls | 2,000,000 | - | Funds not disbursed by NGCDF Board |
| Sub-Total | | 41,530,000 | - | |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|---|---|--|---|--|
| Amounts due to other grants and other transfers | | | | |
| 10.0 Security Projects | | | | |
| Iguhu Police Station | Additional funding for the construction of an office block accommodating 6 offices | - | 3,000,000 | |
| Kakamega South District HQs | Additional funds for the completion of the renovations of the OCPD office block consisting of 8 offices | 230,000 | - | Funds not disbursed by NGCDF Board |
| 3.0 Emergency | | 4,597,349 | 1,044,759 | Unutilized emergency fund balance at the end of the financial year |
| 4.0 Bursary and Social Security | | | | |
| 4.1 Secondary Schools | Provision of scholarships and fees Payment for needy and poor students in secondary schools | 311,700 | - | Funds not disbursed by NGCDF Board |
| 4.2 Tertiary Institutions | Provision of scholarships and fees Payment for needy and poor students in special institutions | 275,500 | - | Funds not disbursed by NGCDF Board |
| 4.3 Social Security | Social Security Program- Payment of NHIF to 333 needy constituents at a cost of KShs 6,000 per Individual | 1,980,000 | - | Funds not disbursed by NGCDF Board |
| 4.4 Special Needs | Provision of scholarships and fees Payment for needy and poor students in colleges and universities | 61,000 | - | Funds not disbursed by NGCDF Board |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|---------------------------------------|--|--|---|-------------------------------------|
| 4.5 Geometrical Sets | | - | - | |
| 5.0 Sports | | | | |
| 5.1 Constituency Sports Tournament | To Carry Out a Constituency football Tournament. | 1,087,000 | 500,000 | Funds not disbursed by NGCDF Board |
| 5.2 Regional Sports Tournament | Facilitate regional sport tournament with other Constituencies within the Region | 300,000 | - | Funds not disbursed by NGCDF Board |
| 6.0 Environment | | | | |
| Tree Planting | Purchase, delivery and planting of tree seedlings to select institutions | 200,000 | - | Funds not disbursed by NGCDF Board |
| Kakamega Forest Marathon | | - | - | |
| Sub-Total | | 9,042,549 | 4,544,759 | |
| Acquisition of assets | | | | |
| Ikolomani NGCDF Office | Purchase of NGCDF Generator | - | - | |
| Purchase of Office furniture | Purchase Of Office Furniture | - | - | Unutilised balance held with NGCDFC |
| Sub-Total | | - | - | |
| Oversight Committee Expenses(itemize) | | | | |
| Committee allowances | Payment of COC allowances | 3,000 | - | Unutilised balance held with NGCDFC |
| Use of Goods and Services | Payment of expenses incurred by COC | 139 | - | Unutilised balance held with NGCDFC |
| Sub-Total | | 3,139 | - | |
| Others (<i>specify</i>) | | | | |

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

| Name | Brief Transaction Description | Outstanding Balance 2022-2023 Kshs | Outstanding Balance 2021-2022 Kshs | Comments |
|-------------------------------------|--|--|---|--|
| 12.1 Ikolomani NGCDF Strategic Plan | To facilitate in preparation of Constituency Strategic plan for the period between 2023-2027 | 2,000,000 | - | Funds not disbursed by NGCDF Board |
| 0 | | - | - | |
| 0 | | - | - | |
| Sub-Total | | 2,000,000 | - | |
| 13.0 unallocated fund | | | | |
| Unapproved projects | Funds not yet approved by the NGCDF Board | 3,240,000 | - | Funds Awaiting approval of the NGCDF Board |
| AIA | Revenue collected by NGCDFC that has not been approved by the NGCDF Board for spending | 470,000 | 470,000 | Funds Awaiting approval of the NGCDF Board |
| PMC savings | | - | - | |
| Sub-Total | | 3,710,000 | 470,000 | |
| Funds pending approval | | | | |
| Grand Total | | 56,820,557 | 8,388,120 | |

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

Annex 4 – Summary of Fixed Asset Register

| Asset class | Historical Cost b/fwd. (Kshs) 2021-2022 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2022-2023 |
|--|--|-------------------------------------|-------------------------------------|--|
| Land | 300,000 | - | - | 300,000 |
| Buildings and structures | 5,000,000 | - | - | 5,000,000 |
| Transport equipment | 5,306,500 | - | - | 5,306,500 |
| Office equipment, furniture and fittings | 2,577,618 | 100,000 | - | 2,677,618 |
| ICT Equipment, Software and Other ICT Assets | 1,759,900 | - | - | 1,759,900 |
| Other Machinery and Equipment | 440,380 | - | - | 440,380 |
| Intangible assets | 15,384,398 | - | - | 15,384,398 |
| Heritage and cultural assets | 300,000 | - | - | 300,000 |
| Total | 31,068,796 | 100,000 | - | 31,168,796 |

*Ikolomani Constituency**National Government Constituencies Development Fund (NGCDF)**Annual Report and Financial Statements for The Year Ended June 30, 2023***Annex 5 – PMC Bank Balances as at 30th June 2023**

| PMC | Bank | Account number | Bank Balance 2022-2023 Kshs | Bank Balance 2021-2022 Kshs |
|--|-----------|----------------|-----------------------------------|-----------------------------------|
| Bugute Primary School | Coop Bank | 01139166636902 | 1,567 | 14,807 |
| Bushiangala Primary School | Coop Bank | 01139167463600 | 14,560 | - |
| Bushirika Primary School | Coop Bank | 01139632905100 | 2,968 | - |
| Busilwa Primary School | Coop Bank | 01139166147700 | 2,262 | 2,382 |
| Eregi Police station | Coop Bank | 01141632676200 | 8,740 | 8,860 |
| Ibuka Primary School | Coop Bank | 01139165864300 | 770 | 1,370 |
| Ibuyonje Primary School | Coop Bank | 01141632874000 | 113,530 | 254,650 |
| Ibwali Primary School | Coop Bank | 01139632685700 | 361 | 601 |
| Iguhu Primary School | Coop Bank | 01139166940801 | 580 | 580 |
| Iguyio Primary School | Coop Bank | 01139165710401 | 28,544 | 28,784 |
| Ikolomani Constituency Sports Organisation | Coop Bank | 01134631234000 | 3,236 | 53,476 |
| Imalaba Police Post | Coop Bank | 01141246380600 | 3,093 | - |
| Imalaba Primary School | Coop Bank | 01139165651800 | 63,574 | 64,174 |
| Imbale Primary School | Coop Bank | 01139033603400 | 951,918 | 1,002,158 |
| Imbale Secondary School | Coop Bank | 01139545707600 | 2,258 | 77,498 |
| Imulama Primary School | Coop Bank | 01141167794600 | 19,921 | 20,641 |
| Irechelo Primary School | Coop Bank | 01139165784802 | 254,898 | 4,378 |
| Iremele Primary School | Coop Bank | 01139166445800 | 75,256 | 100,706 |
| Ishianji Primary School | Coop Bank | 01139166149102 | 35,413 | 35,773 |
| Ishieywe Primary School | Coop Bank | 01141165613800 | 401,288 | 501,528 |
| Isulu Police Station | Coop Bank | 01141632693100 | 124 | 364 |
| Itulubini Primary School | Coop Bank | 01139166445300 | 4,700 | - |
| Ivole Primary School | Coop Bank | 01139166940200 | 5,344 | 5,704 |
| Ivonda Primary School | Coop Bank | 01139165838300 | 1,506,190 | 1,506,310 |
| Ivonda Secondary School | Coop Bank | 01139631903101 | 17,855 | 17,885 |
| Kasavayi Primary School | Coop Bank | 01141166149200 | 8,783 | 8,783 |

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

| PMC | Bank | Account number | Bank Balance 2022-2023 Kshs | Bank Balance 2021-2022 Kshs |
|-----------------------------------|-----------|----------------|-----------------------------------|-----------------------------------|
| Lirhembe Friends Secondary School | Coop Bank | 01139167913801 | 7,018 | 7,618 |
| Lirhembe Girls Secondary School | Coop Bank | 01139165613201 | 5,649 | 1,505,669 |
| Lusiola Primary School | Coop Bank | 01139166445500 | 37,928 | 38,648 |
| Lusui Police Station | Coop Bank | 01141804286000 | 295 | 295 |
| Lusui Primary School | Coop Bank | 01139165623301 | 2,027 | 747 |
| Lusui Secondary School | Coop Bank | 01139167319600 | 11,050 | 11,050 |
| Lwanaswa Primary School | Coop Bank | 01139165613000 | 543 | 543 |
| Makhokho Secondary School | Coop Bank | 01139167794701 | 1,090 | 105,090 |
| Milimani Primary School | Coop Bank | 01139166636802 | 2,044 | 2,404 |
| Mumbetsa Primary School | Coop Bank | 01141098419100 | 12,073 | 12,313 |
| Musasa Primary School | Coop Bank | 01139167305100 | 4,171 | 4,291 |
| Mutaho Girls Secondary School | Coop Bank | 01139631900300 | 921,654 | 1,142,374 |
| Naliava Primary School | Coop Bank | 01139166941600 | 325,000 | 1,230,813 |
| Shiamusinjili Secondary School | Coop Bank | 01139166940600 | 9,840 | 9,960 |
| Shiavihiga Primary School | Coop Bank | 01139167482700 | 15,730 | 15,730 |
| Shiduha Primary School | Coop Bank | 01139166940701 | 1,043,477 | 93,837 |
| Shiduha Secondary School | Coop Bank | 01139166940000 | 1,666 | 1,786 |
| Shihalia Primary School | Coop Bank | 01139166941400 | 1,647 | 2,128 |
| Shijiko Primary School | Coop Bank | 01139166941500 | 3,018 | 43,958 |
| Shikokho Primary School | Coop Bank | 01139166963000 | 179 | 80,659 |
| Shikokho Secondary School | Coop Bank | 01139632420100 | 93 | 301,417 |
| Shinyikha Primary School | Coop Bank | 01139165614301 | 427 | 547 |
| Shirumba Primary School | Coop Bank | 01139166445900 | 1,652 | 29,892 |
| Shisele Market | Coop Bank | 01134165488600 | 165 | - |
| Shiseno Primary School | Coop Bank | 01139165864200 | 1,597 | 1,837 |
| Shitoli Primary School | Coop Bank | 01139165613900 | 6,408 | 6,768 |
| Shiveye Primary School | Coop Bank | 01139167810301 | 51,170 | 1,001,243 |

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

| PMC | Bank | Account number | Bank Balance 2022-2023 Kshs | Bank Balance 2021-2022 Kshs |
|---|-------------|----------------|-----------------------------------|-----------------------------------|
| Shiveye Secondary School | Coop Bank | 01141632536800 | 415 | 775 |
| St. Annes Musoli Girls Secondary School | Coop Bank | 01139166460200 | 8,284 | - |
| St. Bonaventure Shimanyiro Secondary School | Coop Bank | 01139631904100 | 8,347 | 53,994 |
| St. Claire's Musoli Girls Boarding Pry School | Coop Bank | 01139166104400 | 35,197 | 34,437 |
| St. Francis Sabane Secondary School | Coop Bank | 01139632679201 | 810,655 | 371,615 |
| St. Joseph Shichinji Secondary School | Coop Bank | 01139166956700 | 29,047 | 29,527 |
| Ikolomani North ACC's Office | Equity Bank | 0500282146241 | 11,227 | - |
| KMTC Ikolomani Campus | Equity Bank | 0500278876248 | 14,253 | 84,235 |
| Musoli Mixed Primary School | Equity Bank | 0500278940019 | 4,197 | 4,197 |
| Burendwa Primary School | KCB | 1271024330 | 248,300 | 248,426 |
| Bushiangala Secondary School | KCB | 1284393410 | 3,209 | 3,209 |
| Bushiangala Technical Training Institute | KCB | 1101707453 | 196,856 | - |
| Iguhu Police Station | KCB | 1275681565 | 2,374 | - |
| Iluya Primary School | KCB | 1106949811 | 1,191 | 1,192 |
| Imulama Police Post | KCB | 1280169567 | 16,552 | 16,552 |
| Imulembo Primary School | KCB | 1109452772 | 83,083 | 83,083 |
| Imusali Primary School | KCB | 1106964160 | 6,989 | 6,989 |
| Iremele Secondary School | KCB | 1261771559 | 56,408 | 56,408 |
| Kakamega South DCC's Headquarters | KCB | 1277505969 | 21,540 | 136,780 |
| Kaluni Primary School | KCB | 1266243895 | 18,722 | 18,922 |
| Kimingini Primary School | KCB | 1271025574 | 933 | 127,791 |
| Lirhembe Primary School | KCB | 1172709238 | 27,539 | 127,791 |
| Lwanaswa Police Post | KCB | 1274816378 | 12,730 | 12,730 |
| Madivini Primary School | KCB | 1106960017 | 2,210 | 952,462 |
| Makhokho Primary School | KCB | 1271025299 | 570 | - |
| Malinya Primary School | KCB | 1111627223 | - | 960 |
| Malinya Primary School 2 | KCB | 1271025434 | 236,625 | 967,477 |

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

| PMC | Bank | Account number | Bank Balance 2022-2023 Kshs | Bank Balance 2021-2022 Kshs |
|--|------|----------------|-----------------------------------|-----------------------------------|
| Matundu Primary School | KCB | 1101835796 | 1,954,788 | 4,445,634 |
| Mukoyani Primary School | KCB | 1273405080 | 174,245 | 1,734,845 |
| Munyanza Primary School | KCB | 1101836555 | 52,516 | 52,516 |
| Mwikhomo Primary school | KCB | 1267746106 | 1,000,342 | 1,000,468 |
| Shianjetso Primary School | KCB | 1271025108 | 14,514 | 244,514 |
| Shichinji Primary School | KCB | 1289409293 | 8,375 | - |
| Shikhombelo Primary School | KCB | 1112052747 | 232,365 | 1,233,388 |
| Shikumu Primary School | KCB | 1271024845 | 41,035 | 41,035 |
| Shimanyiro Primary School | KCB | 1183075197 | 3,038 | 3,038 |
| Shitechia Primary School | KCB | 1285623754 | 53,100 | 184,405 |
| Shivagala Primary School | KCB | 1284103668 | 875 | 875 |
| Shivagala Secondary School | KCB | 1133467946 | 6,315 | 6,315 |
| St. Angela Eregi Boarding Primary School | KCB | 1272134830 | 8,457 | 8,457 |
| Total | | | 11,402,759 | 21,658,071 |

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 | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
| IKOLOMANI NG-CDF 2019-020/ (19) | | | | | |
| 1.0 | <p>Unauthorized adjustments on unutilized funds -The Fund had an un-utilized fund balance of KSHs. 10,545,344, from the previous year, (2018/2019) budget. Even though adjustments totalling the same amount were made, the individual figures for the votes were altered with no explanation as to why this was done.</p> | <p>The management had allocated KSHs 1,312,000 in the financial year 2018/2019 for the rehabilitation of the Ikolomani NGCDF office. However, at the end of the financial year, the actual amount utilized was KSHs 1,232,760 leaving a balance of KSHs 79,240, which had been earlier classified under “Acquisition of Assets”. However, in the subsequent financial year of 2019/20, it was utilized under goods and services which necessitated its reclassification. Further, the adjustment on amounts due to other grants & other payments of KSHs 200,000 was because during the Financial Year 2019/2020 the management applied for and received approval to reallocate funds from Lidambitsa Market Project which had been classified under others. The reallocation was to Bursary to secondary schools which are classified under Amounts due to other grants and payments.</p> | Management | Resolved | N/A |
| 2.0 | <p>Inaccurate disclosure of PMC Account balances -Annex 5 to the financial statements reflects an amount of KSHs. 10,923,577 and Ksh. 4,177,963 on PMC bank account balances for the two consecutive years, 2018/2019 and F/Y 2019/2020 respectively. However, the re-</p> | <p>The error, in addition, was noted by management and the financial statements have been revised and corrected.</p> | Management | Resolved | N/A |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
| | computation procedure performed on the bank balances revealed variances making the accuracy of the disclosures doubtful. | | | | |
| 3.0 | <p>3. None Adherence to Public Sector Accounting Standards Board Reporting Format</p> <p>The management of the Constituency Development Fund did not prepare the financial statements in conformity with the revised financial statement reporting template duly approved by PSASB which requires the numbering of the financial statements to begin with roman numbers from the table of contents to the report of the independent auditors then page 1 to begin from the statement of receipts and payments.</p> <p>The financial statements contain blank entries/ tables of components which contain no account balances.</p> | <p>The error in numbering the pages of financial statements was corrected.</p> <p>The amount of KShs 200,000 for Lidambitsa Market was reallocated to Bursary to secondary schools thus it necessitated its reclassification from "Others" to "amounts due to other grants & other payments".</p> | Management | Resolved | N/A |

Ikolomani Constituency

National Government Constituencies Development Fund (NGCDF)

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--|-----------------------------------|--|
| | Under annexe 3 on un-utilized funds, an amount of Kshs. 200,000 which was disclosed as Lidambitsa market in the financial year 2018/2019 does not reflect in the comparative's column of the financial statements for 2019/2020. | | | | |
| 4.0 | <p>Cash and Cash equivalents. It was noted that the cash and cash equivalents balance of Kshs. 2,480,835 reflected in the statement of assets and liabilities as of 30 June 2020 contains two stale cheques totalling Kshs.14,000 which are not payable and have not been reversed in the cash book.</p> <p>In the circumstances, it was not possible to ascertain the completeness and accuracy of the cash and cash equivalents balance reflected in the statement of assets and liabilities as of 30 June 2020.</p> | The management took cognizant of the stale cheques and subsequently cancelled the respective cheques and reissued them to other beneficiaries | Management | Resolved | N/A |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
| 5.0 | <p>Other Matter</p> <p>5.1 Budget Performance Under the summary statement of appropriation: recurrent and development combined, the Fund has reported an expenditure of Kshs. 74,364,510 against a budgeted amount of Kshs. 147,913,068, thereby resulting in a net budget under-absorption of Kshs.73,548,558 representing 49.7% of the budget.</p> | The low utilization of the budgeted funds was due to the delay in the disbursement of funds by the NGCDF Board. Also, the NGCDFC could not implement projects as the funds for the projects were received close to the end of the financial year. However, the funds were later released by the NGCDF Board which were utilized and the projects are in various stages of completion. | Management | Resolved | N/A |
| | <p>5.2 Projects Implementation Status The fund has disbursed a total of Kshs. 701,103,235.52 to finance 412 projects between the financial years 2013/2014 to 2019/2020. However, at the time of audit for the financial year ending 30 June 2020, the fund had only completed 5% of the projects, that is 16 Projects amounting to Kshs36,263,080.86.</p> | The Management has reviewed and updated the Project Implementation Status (PIS) report which represents the true position of the status of the projects. In addition, most of the projects have been allocated additional funds in the financial year 2020/2021 which will enable their completion. Besides, management is conscious of the projects that have taken more than three financial years and have committed to allocating additional funds for the completion of the respective projects | Management | Resolved | N/A |
| 6.0 | <p>Basis for Conclusion</p> <p>6.1 Projects Verification</p> | Due to the Ministry of Education policy on 100% transition of pupils into secondary schools, the | Management | Resolved | N/A |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (<i>Name and designation</i>) | Status: (<i>Resolved / Not Resolved</i>) | Timeframe: (<i>Put a date when you expect the issue to be resolved</i>) |
|--|---|---|---|--|---|
| | <p>6.1.1 Secondary Schools</p> <p>During audit verification on 25th March 2021, the following observation was made on the various project visited.</p> <ul style="list-style-type: none"> • Mutaho Girls Secondary School; <p>The project received Kshs 1,500,000 paid to vide voucher no 57 dated 07.02.2020 and cheque no 6287 during the year under review The project entailed the construction of storey classrooms and admin block. However, on physical verification, it was noted that the project has been ongoing since the 2014/2015 financial year an amount of Kshs.15,000,000 has been spent on the project and is still not completed.</p> <ul style="list-style-type: none"> • Lirhembe Friends Secondary | <p>management decided to spread the funds allocated to various projects to cover more schools. However, the committee has committed to funding the projects to completion in the current financial year 2020/21 and has allocated adequate funds for their completion</p> | | | |

Ikolomani Constituency

National Government Constituencies Development Fund (NGCDF)

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
| | <p>The project received Kshs 3,500,000 during the year under review which was disbursed vide payment voucher no. 67 and cheque no. 006301 dated 21/02/2020, and also another payment amounting to Kshs 1,500,000 disbursed vide voucher no 126 and cheque no. 6400 dated 04/06/2020. The project entailed the construction of a Library holding 80 students, 2 classrooms and 4 offices.</p> <p>It was however noted that the Project has been outstanding since the F/Y 2013/2014 with a cumulative amount of Kshs. 12,000,000 has already been spent on the project.</p> | | | | |
| | <p>6.1.2 Primary schools</p> <p>A review of the project files and physical verification of the projects under the primary schools' category revealed the following position;</p> <p>1. Imulama Primary School received a disbursement of Ksh</p> | <p>The project was approved by the NGCDF Board to go up to the suspended slab level. However, additional funds in the subsequent financial year of 2020/21 were disbursed and additional works carried out. Nevertheless, the works have been done according to the approved Bill of quantities (B.O.Qs) and plans and the works have been supervised by the County Works Officer.</p> | Management | Resolved | N/A |

Ikolomani Constituency

National Government Constituencies Development Fund (NGCDF)

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

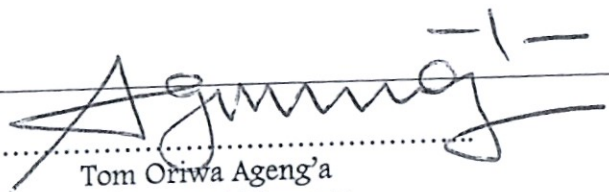
| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|--|-----------------------------------|--|
| | 3,000,000 under the FY 2020/2021 for the Casting of the Suspended Slab, fixing doors & windows, of 8 No. classrooms. However, at the first-floor lintel level, the suspended slab level was done without supporting pillars. | | | | |
| | 2. Musoli Mixed Primary school received a disbursement of KSHs 2,850,000 for renovations by re-roofing, re-fixing doors & windows, plastering, and painting a 9No. Classroom to completion. However, renovations and terrazzo were incomplete. | The works were completed by the contractor and all the defects were made good. | Management | Resolved | N/A |
| | 3. St. Clares Musoli Girls Primary received a disbursement of Ksh. 1,700,000 for Renovations by re-roofing, re-fixing doors & windows, plastering, and painting a 9No. Classroom to completion. However, Only iron sheets were replaced, and re-painting was done. | The renovations were carried out as per the bill of quantities developed and supervised by the Sub County works officer. | Management | Resolved | N/A |
| | 4. Shikumu Primary School received a disbursement of KShs. 2,000,000 for the construction | The project was approved by the NGCDF Board to go up to the suspended slab level. However, additional funds in the subsequent financial year of 2020/21 | Management | Resolved | N/A |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|--|--|-----------------------------------|--|
| | of 8 No storey Classrooms up to the suspended slab level. However, the Project is on the first-floor pillars level. Suspended slab done without supporting pillars. Pillar sub-structures on the first floor are made using a mixture of D8 & D16 steel rods. | were disbursed and additional works carried out. Nevertheless, the works have been done according to the approved Bill of quantities (B.O.Qs) and plans and the works have been supervised by the County Works Officer. | | | |
| | 6.2 Undelivered Strategic Plan Ikolomani NG-CDF incurred an expenditure of Kshs. 2,843,334 on the development of the Strategic Plan in the financial year ending 30 June 2020 with the contract being awarded to a local contractor M/s. NC Sevens Ltd. However, it could not be established how the contractor was awarded the contract since no procurement documents were availed for audit verification. Further, no strategic plan was submitted for audit verification leading to | The committee awarded the consultancy to develop the strategic plan to M/s NC Sevens Ltd through Expression of Interest (EOI). After following all the necessary procurement regulations and procedures. Besides, the consultant delivered the Strategic Plan within the stipulated time and it was adopted by the committee for distribution. | Management | Resolved | N/A |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--|-----------------------------------|--|
| | the conclusion that it may not have been delivered | | | | |
| | <p>6.3 Irregular Allocation of Bursary</p> <p>NGCDF Ikolomani spent a total of Kshs. 3,515,000 on bursary which is 5.1% of the amount received from the NG CDF Board. This is in contravention of the NG CDF Act 2015 and the NG CDF Regulations 2016 which require that not less than 25% of the total allocation should be allocated for bursaries</p> <p>The needy residents of Ikolomani Constituency may have been denied access to education services due to low disbursement of the Bursary funds.</p> | <p>Management had allocated for the financial year 2019/2020, KShs 21,000,000 towards the provision of bursaries to bright and needy children. However, due to the measures put by the Government to prevent the spread of COVID 19 during the financial year under review, which included the closure of learning institutions, the management also suspended the exercise of awarding bursary. Nevertheless, the amount allocated on bursary was later utilised in the subsequent financial year of 2020/21.</p> | Management | Resolved | N/A |


Tom Oriwa Ageng'a
Fund Account Manager.