

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 07 AUG 2024 DAY: Afternoon

TABLED BY: Deputy Leader of Majority Party
Benson Inzofu

CLERK AT THE TABLE:



OF THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
OL KALOU CONSTITUENCY**

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

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OFFICE OF THE AUDITOR GENERAL
CENTRAL REGIONAL OFFICE
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OLKALOU CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2023

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

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1. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

1. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2022. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The Olkalou 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	Hawah Abdul
2.	Sub-County Accountant	Joseph Mwangi
3.	Chairman NGCDFC	Simon Nduati Kariuki
4.	Member NGCDFC	John Kariuki Kimani

(c) Fiduciary Oversight Arrangements

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

P.O. Box 402 Olkalou
NGCDF Building
County Commissioners Compound
Off Gilgil- Nyahururu
Olkalou KENYA

(e) Olkalou Constituency NGCDF Contacts

Telephone: (254)723441732 Olkalou
E-mail: cdfolkalou@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) Olkalou Constituency NGCDF Bankers

Olkalou Bank Bankers
Equity Bank
Olkalou Branch
Account no.0620262118070

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

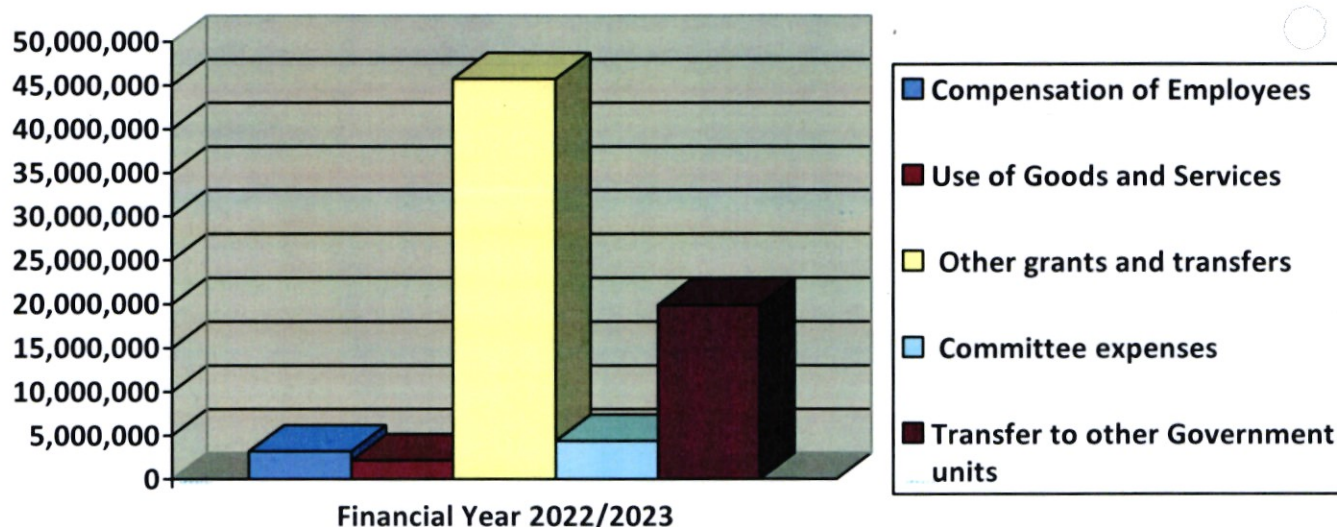
2. NG-CDFC Chairman's Report



I am pleased to present the annual financial statements of Olkalou National Government Constituency Fund highlighting our financial performance and the impact we've collectively achieved in the fiscal year 2022/2023. This report reflects our commitment to responsible fiscal management and the pursuit of meaningful development across our constituency. Over the past financial year, we have diligently managed the funds entrusted to us by the citizens to drive progress and growth in our constituency. These financial statements reflect not only the monetary transactions but also the impactful projects that have been realized through prudent allocation and effective execution under the stewardship of the Project Management Committee.

In the fiscal year 2022/2023, Olkalou NG-CDF had been allocated Kshs. 145,087,067. However, only Kshs. 103,188,879 was received from the NG-CDF Board, which is equivalent to 71% of the total budget. Furthermore, there was an opening balance of Kshs. 45,689,986 and an additional Kshs. 6,216,475 that was reversed from Bursaries. The total amount available for the fiscal year amounted to Kshs. 105,095,340.

The projects undertaken by the Olkalou NG-CDF committee in FY 2022/2023 are spread out across five key priority sectors; Security, Education, Environment, Sports and Social protection. Further these projects resonate with the ideals of the Kenya Kwanza Manifesto. The principles enshrined in this visionary manifesto have guided our actions and decisions, paving the way for projects that promote social equity, economic empowerment, and sustainable development.



In the fiscal year 2022/2023, there has been a noticeable decline in the expenditure amounts across various sectors when compared to the previous fiscal year 2021/2022. The decline in expenditure can be largely attributed to the non-disbursement of allocated funds by the NG-CDF board. This delay in fund disbursement has adversely impacted the implementation of projects and initiatives across the constituency.

Key highlights from this year's financial statement include:

Project Milestones:

Throughout the year, we successfully completed construction of Classrooms, Toilet blocks in various primary School to ensure environment, Additionally, a sum total of Kshs. 32,055,000 was spent on bursaries with a total of 10,600 students benefiting from the programme. These projects have directly contributed to the betterment of our constituents' lives and have laid the foundation for sustained progress.

-Olkalou Constituency has 76 Primary schools and 36 Secondary schools. Due to the increasing population and the new education system CBC, there has been a great need to have more classrooms, Toilets, Dormitories, Laboratories in all the Primary schools.

Most if not all the Primary schools were constructed in the 1960s and are currently dilapidated, some with earthen grounds, leaking roofs and without windows and even some muddy classrooms. The Committee have strived to ensure that every school is renovated to ensure the pupils are studying in a conducive environment something that the pupils, the teachers and the parents are happy about.

2. Collaborative Approach

The success of the Olkalou National Government Constituency Fund wouldn't have been possible without the dedication and teamwork of our elected representatives, local authorities, community leaders, and citizens. It's through this collaborative approach that we have been able to identify, prioritize, and execute projects that align with our constituents' aspirations.

3. Sports

The Olkalou NGCDF embarked on empowering youths in Sports and Talent identification and nurturing.

In conclusion, I extend my heartfelt gratitude to our citizens, partners, and stakeholders who play an integral role in our shared journey towards prosperity and development. We are resolute in our commitment to overcoming obstacles, identifying opportunities, and pursuing excellence in all our endeavours. Our constituents' trust and support are instrumental in shaping our path forward, and we are dedicated to upholding their expectations.



.....
**Name: SIMON NDUATI
CHAIRMAN NGCDF COMMITTEE**

3. Statement of Performance Against Predetermined Objectives for FY 2023

Introduction

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

The key development objectives of Olkalou Constituency 2023 plan are to:

- Ensure school have enough infrastructure e.g. classrooms, dormitories, admin blocks and toilets
- Ensure that the bursary is awarded to as many as possible worthy students to improve the literacy levels.
- Ensure security installations have adequate infrastructure to enhance service delivery.

Progress on attainment of Strategic development objectives

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

s	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2023-we increased number of classrooms, dormitories, laboratories in various schools such as AC primary, JM primary school, captain pri, simba senior, mathakwa sec ,Olkalou primaryi, kirathimo pri, Kiganjo primary. - Bursary beneficiaries at all levels were as per the attached schedules</i>
Security	To ensure security is achieved for all	Stability in all affirms being under taken	No. of police posts constructed and improvement of infrastructure in security installation	During the financial year, NGCDF OLKALOU constructed a mega ablution

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			sites	block in Olkalou police station.
Environment	To ensure environmental sustainability and clean environment	Clean environment and forest cover	Number of environmental projects and activities carried out	In the year 2023 CDF Olkalou constructed three major toilets under the environment vote in three schools namely: Kahigu and captain primary schools and Gichungo secondary school
Sports	To support the youths and talent building.		The number of sports activities carried out during the year.	In the year 2022/2023 cdf Olkalou carried out one sports activity for football, both men and women.
Emergency	To solve cater strophic occurrences within the constituency	Smooth flow of activities which could have halted in the absence of the emergency fund.	The number of emergency cases responded to and restoration of normalcy	During the financial year CDF Olkalou constructed 6 toilets which had collapsed.
Others(Specify)				

4. Governance Statement

Section 5. (1) of the regulations provides that; The members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee.

The current NGCDFC members were gazetted in December 2022 and the first meeting was held in January 2023 and they started working. The persons appointed are drawn from different groupings as follows:

- Male Adult-Simon Nduati-Chairman
- Male youth –William Njihia- Member
- Female adult-Esther Kimani-Member
- Female youth-Ruth Maina- Member
- PWD REP-John Kariuki-secretary
- CO-opted Member-Paul Kamau- Member
- Nominee of constituency Office-Joyce Karuga- Member
- Nominee of constituency Office-Bernard Kihanya- Member

Vacancy in the Constituency Committee.

Kenya Subsidiary Legislation, 2016 (2) A vacancy shall occur in Constituency Committee upon—commencement of a new parliamentary term;

Dissolution of a Constituency Committee;

Removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(1) There shall be a chairperson of a Constituency Committee Chairperson. who shall be elected by members from among the persons referred to in section 43 (2) (b), (c), or (d), of the Act, and subject to regulation 6 (2) of these Regulations.

The Role of the chairperson of a Constituency Committee shall—

- Provide overall leadership to the Constituency Committee;
- Approve the agenda of the Constituency Committee meetings;
- preside over meetings of the Constituency Committee;
- Carry out consultations with the Officer of the Board seconded to the Constituency and other relevant stakeholders;
- Ensure members and staff of the Constituency Committee are properly trained;

- Encourage a culture of transparency and teamwork among the members of the Constituency Committee;
- Be a signatory to the Constituency Fund Account; and
- Co-ordinate the compilation of project status reports every six months.

9. (1) There shall be a secretary to a Constituency Committee secretary who shall be elected by the members from amongst themselves, subject to regulation 6(2) of these Regulations.

(2) The Secretary shall-

(a) in consultation with the chairperson and the officer of the Board seconded to the Constituency, convene the meetings of the Constituency Committee;

The functions of a Constituency Committee shall be to –

- Build the capacity of project management committees and Committee.
- Sensitize the Community on the operations of the Fund;
- consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- Consult with relevant government departments to ensure that cost estimates for projects are realistic; in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects; subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- ensure that all projects receive adequate funding and are completed within three years;

- where a project involves purchase of a parcel of land or abuilding, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- ensure that project reports are prepared and submitted to the Board;
- ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.

5. Environmental and Sustainability Reporting

Olkalou 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.

i. Sustainability strategy and profile -

To ensure sustainability of Olkalou NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. Education and Training:** Olkalou 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.

ii. Environmental performance

- 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.

iii. Employee welfare

We invest in providing the best working environment for our employees. Olkalou 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. Olkalou 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.

iv. Market place practices-

Olkalou 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

v. Community Engagements-

Olkalou 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.

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



.....
Name: Hawah Abdul
Fund Account Manager.

6. 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-Olkalou Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Olkalou Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Olkalou 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.

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

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

Approval of the financial statements

The NGCDF- Olkalou Constituency financial statements were approved and signed by the Accounting Officer on 4/4 2024.


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Name: Simon Nduati
Chairman – NGCDF Committee


.....

Name: Hawah Abdul
Fund Account Manager

REPUBLIC OF KENYA

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Ol Kalou Constituency set out on pages 1 to 45,

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Ol Kalou Constituency as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects bank balance of Kshs.79,884,817 as disclosed in Note 12A to the financial statements. However, review of the bank reconciliation statement for the month of June, 2023 revealed that, the Fund had payments in the cashbook not yet recorded in the bank statement (unpresented cheques) amounting to Kshs.7,587,108 and receipts in bank statements not yet recorded in the cashbook of Kshs.10,495 which were issued between the years 2016 and 2023. The reconciling items had not been explained or investigated.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.79,884,817 could not be confirmed.

2. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.45,448,600 which as disclosed in Note 8 to the financial statements, includes bursary payments amounting to Kshs.27,075,600, Kshs.5,000,000 and Kshs.4,515,000 disbursed to secondary schools, tertiary institutions and special schools respectively. However, no acknowledgement letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.36,590,600 could not be confirmed.

3. Unsupported Project Management Committee Bank Balances

Note 18.4 to the financial statements reflects Project Management Committees (PMC) bank balance of Kshs.23,394,482. However, cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit. Further, unutilized PMC balances were not returned to the constituency bank

account despite many projects being completed and handed over to the users. In addition, the comparative year PMC balances of Kshs.27,165,700 were not disclosed in Annex 5 to the financial statements.

In the circumstances, the accuracy and completeness of the PMC accounts balance of Kshs.23,394,482 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Ol Kalou Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.207,466,468 and Kshs.148,878,865 respectively, resulting to an under-funding of Kshs.58,587,603 or 28% of the budget. However, the Fund spent a balance of Kshs.75,210,523 against actual receipts of Kshs.148,878,865, resulting to an under-utilization of Kshs.73,668,342 or 49% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have adversely impacted 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

The audit report for the previous year highlighted several issues in respect of the Reports on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources and Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues or given any explanation for failure to implement the recommendations.

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. Projects Implementation Status

Review of the project implementation status report indicates that thirty-eight (38) projects amounting to Kshs.28,019,800 had not been started despite budget approval and allocation. No explanation was given for the delay in implementation of the projects.

In the circumstances, value for money was not obtained on the unimplemented projects amounting to Kshs.28,019,800.

2. Failure to Deduct Withholding Tax and Retention Fees

The statement of receipts and payments reflects total expenditure of Kshs.75,210,523. Included in the amount is Kshs.16,574,000 that relates to construction and renovation of buildings. Review of the expenditure records revealed that an amount of Kshs.497,220 for withholding tax and Kshs.1,657,400 for retention fees were not deducted from contractors. No explanation was provided for failure to deduct the withholding tax and retention fees. This was contrary to Section 35 of the Income Tax Act CAP 470, which requires the deduction of withholding tax on specified payments. This also contravenes standard contractual obligations in construction contracts as governed by the provisions of the Public Procurement and Asset Disposal Act, 2015.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, 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 timely period by employees in the normal course of performing their assigned functions.


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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism 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

13 June, 2024

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

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

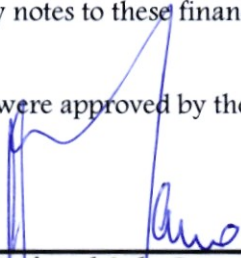
	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	103,188,879	182,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		103,188,879	182,088,879
PAYMENTS			
Compensation of employees	4	3,186,634	2,908,606
Committee expenses	5	4,364,900	8,330,000
Use of goods and services	6	2,133,389	4,290,635
Transfers to Other Government Units	7	19,903,000	45,510,516
Other grants and transfers	8	45,448,600	94,990,634
Acquisition of Assets	9	-	999,991
Oversight Committee Expenses	10	-	-
Other Payments	11	174,000	-
TOTAL PAYMENTS		75,210,523	157,030,382
SURPLUS/DEFICIT		27,978,356	25,058,497

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 4/4/2024 and signed by:


 Fund Account Manager

Name: Hawah Abdul


 National Sub-County Accountant

Name: Joseph Mwangi
 ICPAK M/No:7896


 Chairman NG-CDF Committee

Name: Simon Nduati

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

9. Statement of Assets and Liabilities as at 30th June, 2023

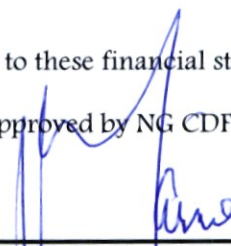
	Note	2022-2023 Kshs	2021-2022 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	79,884,817	45,689,986
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		79,884,817	45,689,986
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		79,884,817	45,689,986
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL ASSETS		79,884,817	45,689,986
REPRESENTED BY			
Fund balance b/fwd 1st July 2022	15	45,689,986	20,631,489
Prior year adjustments	16	6,216,475	-
Surplus/Deficit for the year		27,978,356	25,058,497
NET FINANCIAL POSITION		79,884,817	45,689,986

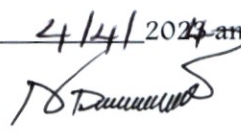
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 4/14/2024 and signed by:


Fund Account Manager

Name: Hawah Abdul


National Sub-County
Accountant
Name: Joseph Mwangi
ICPAK M/No:7896


Chairman NG-CDF Committee

Name: Simon Nduati


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

10. Statement of Cash Flows for The Year Ended 30th June 2023

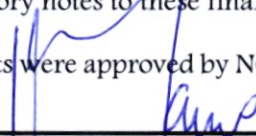
	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	103,188,879	182,088,879
Other Receipts	3		-
		103,188,879	182,088,879
Payments for operating activities			
Compensation of Employees	4	3,186,634	2,908,606
Committee expenses	5	4,364,900	8,330,000
Use of goods and services	6	2,133,389	4,290,635
Transfers to Other Government Units	7	19,903,000	45,510,516
Other grants and transfers	8	45,448,600	94,990,634
Oversight Committee Expenses	10	-	-
Other Payments	11	174,000	-
		75,210,523	156,030,391
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net Adjustments		-	-
Net cash flow from operating activities		27,978,356	26,058,488
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(999,991)
Net cash flows from Investing Activities		-	(999,991)
NET INCREASE IN CASH AND CASH EQUIVALENT		27,978,356	25,058,497
Cash and cash equivalent at BEGINNING of the year	12	45,689,986	20,631,489
Prior year Adjustments		6,216,475	-
Cash and cash equivalent at END of the year		79,884,817	45,689,986

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 4/4/2024 and signed by:


Fund Account Manager

Name: Hawah Abdul


National Sub-County Accountant

Name: Joseph Mwangi
ICPAK M/No:7896


Chairman NG-CDF Committee

Name: Simon Nduati

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

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

Receipt/Expense Item	Original Budget	Adjustments	Adjustments	Final budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	b	c=(a+b)	d	e=c-d	f=d/c %
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs	Ksh	
Transfers From NGCDF Board	145,087,603	45,689,986	16,688,879	207,466,468	148,878,865	58,587,603	72%
Proceeds From Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	-	0%
Totals	145,087,603	45,689,986	16,688,879	207,466,468	148,878,865	58,587,603	72%
PAYMENTS							
Compensation of Employees	4,410,256	1,031,460	-	5,441,716	3,186,634	2,255,082	59%
Use of goods and services	5,697,628	979,353	-	6,676,981	2,133,389	4,543,592	32%
Committee allowances	2,600,000	2,964,050	-	5,564,050	4,364,900	1,199,150	78%
Transfers to Other Government Units	54,429,000	18,454,600	5,868,879	78,752,479	19,903,000	58,849,479	25%
Other grants and transfers	63,019,692	16,101,332	534,000	79,655,024	45,448,600	34,206,424	57%
Acquisition of Assets	1,339,800	1,904,220	1,740,000	4,984,020	-	4,984,020	0%
Strategic plan	1,500,000	-	-	1,500,000	-	1,500,000	0%
Oversight committee	1,391,227	-	-	1,391,227	-	1,391,227	0%
13.0 Other payments	-	4,254,970	-	4,254,970	174,000	4,080,970	4%
UNALLOCATED FUND	10,700,000	2,100,000	8,046,000	20,846,000	-	20,846,000	0%
TOTAL	145,087,603	45,689,986	16,188,879	206,966,468	75,210,523	131,755,945	36%

Explanatory Notes.

(a) The Olkalou NGCDF Committee did not realise AIA in the Financial year under review.

(b) The budget underutilisation was as a result of the following reasons: -


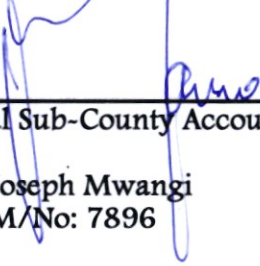
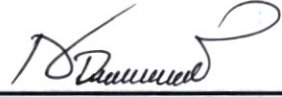
- i. Delayed disbursement of funds from the Board- at the close of financial year there was Kshs. 58,087,603 that was yet to be received by the Olkalou NGCDF representing 40% of the approved Budget
- ii. There was an amount of Ksh. 20,846,000 for financial year 2022-2023 /2021-2022 and 2020-2021 being projects not approved by the NGCDF Board representing 10% of the total budget.

Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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- iii. There were Projects reallocated i.e 1,600,000 photocopier Machine Kshs. 500,000, Audit Fees, Kshs. 300,000 Motorcycle which was awaiting approval from the Board
- iv. Others involved delays in procurement process such as office partitioning where funds are charged from the main account

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	131,755,945
Less undisbursed funds receivable from the Board as at 30 th June 2023	58,087,603
	73,668,342
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	6,216,475
Cash and Cash Equivalents at the end of the 30 th June 2023	79,884,817

The Constituency financial statements were approved by NG CDFC on 4/4/2024 and signed by:

 <hr style="border: 0.5px solid black;"/> <p>Fund Account Manager Name: Hawah Abdul</p>	 <hr style="border: 0.5px solid black;"/> <p>National Sub-County Accountant Name: Joseph Mwangi ICPAK M/No: 7896</p>	 <hr style="border: 0.5px solid black;"/> <p>Chairman NG-CDF Committee Name: Simon Nduati</p>
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12. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = 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			
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,410,256	1,031,460	-	5,441,716	3,186,634	2,255,082	59%
1.2 Committee allowances	600,000	174,450	-	774,450	351,000	423,450	45%
1.3 Use of goods and services	3,695,000	772,953	-	4,467,953	2,133,389	2,334,564	48%
Total	8,705,256	1,978,863	-	10,684,119	5,671,023	5,013,096	53%
2.0 Monitoring and evaluation						-	
2.1 Capacity building	1,000,000	650,000	-	1,650,000	1,650,000	-	100%
2.2 Committee allowances	1,000,000	2,139,600	-	3,139,600	2,363,900	775,700	75%
2.3 Use of goods and services	2,002,628	206,400	-	2,209,028	-	2,209,028	0%
Total	4,002,628	2,996,000	-	6,998,628	4,013,900	2,984,728	57%
3.0 Emergency						-	

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

3.1 Primary schools							-
Mugathika primary school	600,000	-	-	600,000	600,000	-	100%
Mihuti primary school	1,200,000	-	-	1,200,000	1,200,000	-	100%
3.4 Security projects							-
Kunytoka Community	200,000	-	-	200,000	200,000	-	100%
3.5 Unutilized	5,636,190	143,691	-	5,779,881	-	5,779,881	0%
Total	7,636,190	143,691	-	7,779,881	2,000,000	5,779,881	26%
4.0 Bursary and Social Security							-
4.1 Secondary Schools	24,500,000	3,527,473	534,000	28,561,473	27,075,600	1,485,873	95%
4.2 Tertiary Institutions	20,000,000	312,075	-	20,312,075	5,000,000	15,312,075	25%
4.3 Special schools	500,000	-	-	500,000	-	500,000	0%
4.4 Special Needs-Driving school	3,000,000	1,515,000	-	4,515,000	4,515,000	-	100%
Total	48,000,000	5,354,548	534,000	53,888,548	36,590,600	17,297,948	68%
5.0 Sports							-
Constituency sports tournaments	2,601,752	-	-	2,601,752	-	2,601,752	0%
Regional sports tournaments	300,000	-	-	300,000	-	300,000	0%
Berawin enterprises	-	1,200,000	-	1,200,000	1,200,000	-	100%
Unutilized	-	369,093	-	369,093	-	369,093	0%
Total	2,901,752	1,569,093	-	4,470,845	1,200,000	3,270,845	27%

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

6.0 Environment						-	
Nyakiambi primary school	1,450,875	-	-	1,450,875	-	1,450,875	0%
Wiyumiririe primary school	1,450,875	-	-	1,450,875	-	1,450,875	0%
Gichungo Secondary School	-	900,000	-	900,000	900,000	-	100%
Kahigu Primary School	-	900,000	-	900,000	900,000	-	100%
Captain Primary School	-	900,000	-	900,000	900,000	-	100%
Total	2,901,750	2,700,000	-	5,601,750	2,700,000	2,901,750	48%
7.0 Transfers to government institutions							
7.1 Primary Schools Projects							
Highland primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Kirathimo primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Bahati primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Wiyumiririe primary school	696,000	-	-	696,000	-	696,000	0%
Mirangine primary school	2,110,000	-	-	2,110,000	-	2,110,000	0%
Mukindu primary school	1,796,000	-	-	1,796,000	-	1,796,000	0%
Ac primary school	740,000	-	-	740,000	-	740,000	0%
Nyakiambi primary school	1,740,000	-	-	1,740,000	-	1,740,000	0%
Kibendera primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
JM Kariuki primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%

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

Mihuti primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Mundi primary school	1,740,000	-	-	1,740,000	-	1,740,000	0%
Gachwe primary school	2,088,000	-	-	2,088,000	-	2,088,000	0%
Kiaduba primary school	2,200,000	-	-	2,200,000	-	2,200,000	0%
Silanga primary school	1,800,000	-	-	1,800,000	-	1,800,000	0%
Passenga primary school	1,350,000	-	-	1,350,000	-	1,350,000	0%
Kahonge primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Mugathika primary school	484,000	-	-	484,000	-	484,000	0%
Mlimani primary school	392,000	-	-	392,000	-	392,000	0%
Ngorika primary school	2,200,000	-	-	2,200,000	-	2,200,000	0%
Kahigu primary school	1,380,000	-	-	1,380,000	-	1,380,000	0%
Plot 11 primary school	795,000	-	-	795,000	-	795,000	0%
Kihoto primary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Kirimaini primary school	250,000	-	-	250,000	-	250,000	0%
Harambee Primary School	-	400,000	-	400,000	400,000	-	100%
Matunda Primary School.	-	928,000	-	928,000	928,000	-	100%
Githima Primary School	-	58,000	-	58,000	-	58,000	0%
Ac Primary School.	-	1,832,800	-	1,832,800	1,832,000	800	100%
Passenga Primary School.	-	1,160,000	-	1,160,000	1,160,000	-	100%

***Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Githunguri Primary School.	-	696,000	-	696,000	696,000	-	100%
Githunguri Primary School	-	116,000	-	116,000	116,000	-	100%
Mugathika primary school	-	1,160,000	-	1,160,000	1,160,000	-	100%
Silanga Primary School	-	1,160,000	-	1,160,000	1,160,000	-	100%
Kahonge Primary School	-	174,000	-	174,000	174,000	-	100%
Kahonge Primary School	-	237,800	-	237,800	237,000	800	100%
Kahonge Primary school	-	-	1,500,000	1,500,000	-	1,500,000	0%
Mlimani Primary school	-	-	255,276	255,276	-	-	0%
Nyakiambi Primary school	-	-	1,508,000	1,508,000	-	1,508,000	0%
Highland primary school	-	-	1,009,603	1,009,603	-	1,009,603	0%
Gachwe primary school	-	-	88,000	88,000	-	88,000	0%
Captain Primary School.	-	1,508,000	-	1,508,000	1,508,000	-	0%
JM Primary School	-	1,508,000	-	1,508,000	1,508,000	-	0%
Total	32,897,000	10,938,600	4,360,879	48,196,479	10,879,000	37,317,479	23%
7.2 Secondary Schools Projects						-	
Kiganjo secondary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Mawingu secondary school	740,000	-	-	740,000	-	740,000	0%
Gatarwa secondary school	4,000,000	-	-	4,000,000	-	4,000,000	0%
Mukindu secondary school	4,000,000	-	-	4,000,000	-	4,000,000	0%

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

Kanjuri secondary school	1,700,000	-	-	1,700,000	-	1,700,000	0%
Mirangine secondary school	740,000	-	-	740,000	-	740,000	0%
Gituamba Secondary school	392,000	-	-	392,000	-	392,000	0%
Mathakwa Secondary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Mathakwa Secondary school	696,000	-	-	696,000	-	696,000	0%
Simba Senior Secondary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Gichungo secondary school	1,392,000	-	-	1,392,000	-	1,392,000	0%
Kahia secondary school	696,000	-	-	696,000	-	696,000	0%
Kanyiriri Secondary school	3,000,000	-	-	3,000,000	1,508,000	1,492,000	50%
Kanyiriri Secondary School	-	-	-	-	-	-	0%
Gichungo Secondary School	-	1,508,000	-	1,508,000	1,508,000	-	100%
Sabugo Secondary School	-	1,160,000	-	1,160,000	1,160,000	-	100%
Mawingu Secondary School	-	1,832,000	-	1,832,000	1,832,000	-	100%
Mathakwa Secondary school	-	-	1,508,000	1,508,000	-	1,508,000	0%
Mihuti Secondary School	-	1,508,000	-	1,508,000	1,508,000	-	0%
Simba senior Secondary School	-	1,508,000	-	1,508,000	1,508,000	-	0%
Total	21,532,000	7,516,000	1,508,000	30,556,000	9,024,000	21,532,000	30%
7.3 Others						-	
Mirangine DE's Office	-	174,000	-	174,000	174,000	-	100%

***Olkalou Constituency
National Government Constituencies Development Fund (NGCDF)
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Totals	-	174,000	-	174,000	174,000	-	100%
10.0 Security Projects						-	
Rurii police post	1,000,000	-	-	1,000,000	-	1,000,000	0%
Kandutura police post	580,000	580,000	-	1,160,000	-	1,160,000	0%
Kagaa Chiefs Office	-	58,000	-	58,000	58,000	-	100%
Kirima Chiefs Office	-	116,000	-	116,000	116,000	-	100%
Mundi Assistant Chiefs Office	-	464,000	-	464,000	464,000	-	100%
Manyatta Assistant Chief	-	696,000	-	696,000	-	696,000	0%
Kaimbaga Chiefs Office	-	348,000	-	348,000	348,000	-	100%
Rumathi Chiefs Office	-	464,000	-	464,000	464,000	-	100%
Olkalou Police Station	-	1,508,000	-	1,508,000	1,508,000	-	100%
Total	1,580,000	4,234,000	-	5,814,000	2,958,000	2,856,000	51%
11.0 Acquisition of assets						-	
NGCDF office-Hall partitioning	522,000	-	-	522,000	-	522,000	0%
NGCDF office-100m barrier wall	643,800	-	-	643,800	-	643,800	0%
NGCDF office-30m pavement	174,000	-	-	174,000	-	174,000	0%
NGCDF office-Motor cycle	-	300,000	-	300,000	-	300,000	0%
NGCDF office-Photocopier	-	1,600,000	-	1,600,000	-	1,600,000	0%

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NGCDF office-office construction	-	4,220	-	4,220	-	4,220	0%
NGCDF office-Storm water management	-	-	1,740,000	1,740,000	-	1,740,000	0%
Total	1,339,800	1,904,220	1,740,000	4,984,020	-	4,984,020	0%
12.0 Oversight Committee Expenses (itemize)						-	
Committee sitting allowance	360,000	-	-	360,000	-	360,000	0%
Comm daily subsistence allow	300,000	-	-	300,000	-	300,000	0%
Conference and training cost	500,000	-	-	500,000	-	500,000	0%
Stationery and airtime	231,227	-	-	231,227	-	231,227	0%
Total	1,391,227	-	-	1,391,227	-	1,391,227	0%
13.0 Other payments							
Audit fees	-	500,000	-	500,000	-	500,000	0%
CIH	-	3,507,770	-	3,507,770	-	3,507,770	0%
Roads	-	73,200	-	73,200	-	73,200	0%
Strategic Plan	1,500,000	-	-	1,500,000	-	1,500,000	0%
Total	1,500,000	4,080,970	-	5,580,970	-	5,580,970	0%
14.0 Unallocated fund							
Unapproved projects	10,700,000		-	10,700,000	-	10,700,000	0%
Harambee Primary School.			3,000,000	3,000,000		3,000,000	0%

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Mlimani Primary School.			1,508,000	1,508,000		1,508,000	0%
Canaan Primary School.			464,000	464,000		464,000	0%
Kibendera Primary School.			1,508,000	1,508,000		1,508,000	0%
Mukindu Primary School.			928,000	928,000		928,000	0%
Gachwe Police Post (new)			638,000	638,000		638,000	0%
Mathakwa Assistant Chiefs office		500,000		500,000	-	500,000	0%
Rutara chiefs' office		350,000		350,000	-	350,000	0%
Kandeto Police Station		1,250,000		1,250,000	-	1,250,000	0%
AIA	-	-	-	-	-	-	
PMC savings	-	-		-	-	-	
Total	10,700,000	2,100,000	8,046,000	20,846,000	-	20,846,000	0%
Total	145,087,603	45,689,986	16,188,879	206,966,468	75,210,523	131,755,945	36%

13. Significant Accounting Policies

The principal 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-Olkalou 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.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Significant Accounting Policies continued

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each constituency and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. In-kind contributions

In-kind contributions are donations that are made to the constituency in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the constituency includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. Cash and Cash 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.

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

Significant Accounting Policies Continued

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 2021 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.

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

14. Prior period Errors

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

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

15. Related Party Transactions

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

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14. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
	Kshs	Kshs
NGCDF Board		
AIE NO. B140708		12,000,000
AIE NO. B105262		33,000,000
AIE NO. B105702		34,000,000
AIE NO. B154181		15,000,000
AIE NO. B154406		23,630,879
AIE NO. B105717		16,000,000
AIE NO. B128674		17,000,000
AIE NO. B128985		14,000,000
AIE NO. A888535		17,458,000
AIE NO.A895077	1,500,000	
AIE NO.B185226	7,000,000	
AIE NO.B185401	6,000,000	
AIE NO.B120799	15,000,000	
AIE NO.B206078	5,000,000	
AIE NO.B205574	12,000,000	
AIE NO.B205870	12,000,000	
AIE NO.B185758	15,000,000	
AIE NO.B207730	14,688,879	
AIE NO.B207631	15,000,000	
TOTAL	103,188,879	182,088,879

2. Proceeds from Sale of Assets

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

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3. Other Receipts

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

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Notes to the Financial Statements (Continued)

4. Compensation of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	662,800	2,608,606
Personal allowances paid as part of salary		
Casuals	277,200	-
House allowance	-	-
Transport allowance	120,000	-
Leave allowance	-	-
Gratuity-contractual employees	2,107,034	300,000
Employer Contributions Compulsory national social security schemes	19,600	-
TOTAL	3,186,634	2,908,606

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	4,013,900	5,716,000
Other committee expenses	351,000	2,614,000
TOTAL	4,364,900	8,330,000

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6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	84,279	120,009
Communication, supplies and services	28,350	386,000
Domestic travel and subsistence	339,000	-
Printing, advertising and information supplies & services	40,600	630,466
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	541,200	989,800
Fuel , oil & lubricants	1,099,960	950,000
Other operating expenses	-	816,000
Bank Charges	-	200,000
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	198,360
Routine maintenance- other assets		-
TOTAL	2,133,389	4,290,635

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Notes to The Financial Statements (Continued)

7. Transfer to Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	10,879,000	35,240,516
Transfers to Secondary Schools	9,024,000	10,270,000
Transfers to Tertiary Institutions	-	-
TOTAL	19,903,000	45,510,516

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	27,075,600	48,056,000
Bursary -Tertiary (see attached list)	5,000,000	22,170,000
Bursary- Special Schools-(Driving schools)	4,515,000	8,249,400
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	2,958,000	2,082,200
Sports Projects (see attached list)	1,200,000	1,813,034
Environment Projects (see attached list)	2,700,000	-
Emergency Projects (see attached list)	2,000,000	12,620,000
Roads Projects	-	-
TOTAL	45,448,600	94,990,634

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Notes to the Financial Statements (Continued)

9. Acquisition of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	999,991
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	-

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
	-	-
	-	-
	-	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic Plan	-	-
ICT Hubs	-	-
Mirangine DEOs Office	174,000	-
TOTAL	174,000	-

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity bank- Olkalou A/C No.0620262118070</i>	79,884,817	45,689,986
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	-	-
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	79,884,817	45,689,986
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

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

15. Fund Balance B/F

	(1st July 2022)	(1st July 2021)
	Kshs	Kshs
Bank accounts	45,689,986	20,631,489
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	45,689,986	20,631,489

[Provide short appropriate explanations as necessary]

***Olkalou Constituency
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16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	6,216,475	-
Others (<i>specify</i>)	-	-	-
Total	-	6,216,475	-

****** *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

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

18. Changes In Accounts Payable – Deposits and Retentions

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

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

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

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of Employees	2,255,082	-
Use of goods and services	4,543,592	6,156,566
Committee allowances	1,199,150	434,984
Transfers to Other Government Units	58,849,479	30,450,884
Other grants and transfers	34,206,424	20,922,652
Acquisition of Assets	4,984,020	740,009
Strategic plan	1,500,000	-
Oversight committee	1,391,227	-
13.0 Other payments	4,080,970	3,507,770
Unapproved Funds	18,746,000	166,000
TOTAL	131,755,945	62,378,865

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19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	23,394,483	27,165,700
Total	23,394,483	27,165,700

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15. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 20xx	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
1.1 Compensation of employees		2,255,082	1,031,460	
1.2 Committee allowances		423,450	174,450	
1.3 Use of goods and services		2,334,564	772,953	
Total		5,013,096	1,978,863	
2.0 Monitoring and evaluation		-		
2.1 Capacity building		-	650,000	
2.2 Committee allowances		775,700	2,139,600	
2.3 Use of goods and services		2,209,028	206,400	
Total		2,984,728	2,996,000	
3.0 Emergency		-		
3.1 Primary schools		-		
3.4 Security projects		-		
3.5 Unutilized		5,779,881	143,691	
Total		5,779,881	143,691	
4.0 Bursary and Social Security		-		
4.1 Secondary Schools		1,485,873	4,061,473	
4.2 Tertiary Institutions		15,312,075	312,075	
4.3 Special schools		500,000	-	
4.4 Special Needs-Driving school		-	1,515,000	
Total		17,297,948	5,888,548	
5.0 Sports				

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Constituency sports tournaments		2,601,752	-
Regional sports tournaments		300,000	-
Berawin enterprises		-	1,200,000
Unutilized		369,093	369,093
Total		3,270,845	1,569,093
6.0 Environment			
Nyakiambi primary school		1,450,875	-
Wiyumiririe primary school		1,450,875	-
Gichungo Secondary School		-	900,000
Kahigu Primary School		-	900,000
Captain Primary School		-	900,000
Total		2,901,750	2,700,000
7.0 Transfers to government institutions			
7.1 Primary Schools Projects			
Highland primary school		1,392,000	-
Kirathimo primary school		1,392,000	-
Bahati primary school		1,392,000	-
Wiyumiririe primary school		696,000	-
Mirangine primary school		2,110,000	-
Mukindu primary school		1,796,000	-
Ac primary school		740,000	-
Nyakiambi primary school		1,740,000	-
Kibendera primary school		1,392,000	-
JM Kariuki primary school		1,392,000	-
Mihuti primary school		1,392,000	-
Mundi primary school		1,740,000	-
Gachwe primary school		2,088,000	-

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Kiaduba primary school		2,200,000	-	
Silanga primary school		1,800,000	-	
Passenga primary school		1,350,000	-	
Kahonge primary school		1,392,000	-	
Mugathika primary school		484,000	-	
Mlimani primary school		392,000	-	
Ngorika primary school		2,200,000	-	
Kahigu primary school		1,380,000	-	
Plot 11 primary school		795,000	-	
Kihoto primary school		1,392,000	-	
Kirimaini primary school		250,000	-	
Harambee Primary School		-	400,000	
Matunda Primary School.		-	928,000	
Githima Primary School		58,000	58,000	
Ac Primary School.		800	1,832,800	
Passenga Primary School.		-	1,160,000	
Githunguri Primary School.		-	696,000	
Githunguri Primary School		-	116,000	
Mugathika primary school		-	1,160,000	
Silanga Primary School		-	1,160,000	
Kahonge Primary School		-	174,000	
Kahonge Primary School		800	237,800	
Kahonge Primary school		1,500,000	1,500,000	
Mlimani Primary school		-	255,276	
Nyakiambi Primary school		1,508,000	1,508,000	
Highland primary school		1,009,603	1,009,603	
Gachwe primary school		88,000	88,000	

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Captain Primary School.		-	1,508,000	
JM Primary School		-	1,508,000	
Total		37,317,479	15,299,479	
7.2 Secondary Schools Projects				
Kiganjo secondary school		1,392,000	-	
Mawingu secondary school		740,000	-	
Gatarwa secondary school		4,000,000	-	
Mukindu secondary school		4,000,000	-	
Kanjuiri secondary school		1,700,000	-	
Mirangine secondary school		740,000	-	
Gituamba Secondary school		392,000	-	
Mathakwa Secondary school		1,392,000	-	
Mathakwa Secondary school		696,000	-	
Simba Senior Secondary school		1,392,000	-	
Gichungo secondary school		1,392,000	-	
Kahia secondary school		696,000	-	
Kanyiriri Secondary school		1,492,000	-	
Kanyiriri Secondary School		-	-	
Gichungo Secondary School		-	1,508,000	
Sabugo Secondary School		-	1,160,000	
Mawingu Secondary School		-	1,832,000	
Mathakwa Secondary school		1,508,000	1,508,000	
Mihuti Secondary School		-	1,508,000	
Simba senior Secondary School		-	1,508,000	
Total		21,532,000	9,024,000	
7.3 Others		-		
Mirangine DE's Office		-	174,000	

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Totals		-	174,000	
10.0 Security Projects		-		
Rurii police post		1,000,000	-	
Kandutura police post		1,160,000	580,000	
Kagaa Chiefs Office		-	58,000	
Kirima Chiefs Office		-	116,000	
Mundi Assistant Chiefs Office		-	464,000	
Manyatta Assistant Chief		696,000	696,000	
Kaimbaga Chiefs Office		-	348,000	
Rumathi Chiefs Office		-	464,000	
Olkalou Police Station		-	1,508,000	
Total		2,856,000	4,234,000	
11.0 Acquisition of assets		-		
Ngcdf office-Hall partitioning		522,000	-	
Ngcdf office-100m barrier wall		643,800	-	
Ngcdf office-30m pavement		174,000	-	
Ngcdf office-Motor cycle		300,000	300,000	
Ngcdf office-Photocopier		1,600,000	1,600,000	
Ngcdf office-office construction		4,220	4,220	
Ngcdf office-Storm water management		1,740,000	1,740,000	
Total		4,984,020	3,644,220	
12.0 Oversight Committee Expenses (itemize)				
Committee sitting allowance		360,000	-	
Comm daily subsistence allow		300,000	-	
Conference and training cost		500,000	-	
Stationery and airtime		231,227	-	

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Total		1,391,227	-
Strategic plan		-	
Strategic Plan		1,500,000	-
Total		1,500,000	-
13.0 Other payments			
Audit fees-Reallocated to NGCDF Toilet		500,000	500,000
CIH		3,507,770	3,507,770
Roads		73,200	73,200
Total		4,080,970	4,080,970
14.0 Unallocated fund			
Unapproved projects		10,700,000	
Harambee Primary School.		3,000,000	3,000,000
Mlimani Primary School.		1,508,000	1,508,000
Canaan Primary School.		464,000	464,000
Kibendera Primary School.		1,508,000	1,508,000
Mukindu Primary School.		928,000	928,000
Gachwe Police Post		638,000	638,000
Mathakwa Assistant Chiefs office		500,000	500,000
Rutara chiefs' office		350,000	350,000
Kandeto Police Station		1,250,000	1,250,000
AIA		-	-
PMC savings		-	-
Sub-total		20,846,000	10,146,000
Total		131,755,945	61,878,865

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	27,451,403	0	0	27,451,403
Transport equipment	22,220,521	0	0	22,220,521
Office equipment, furniture and fittings	1,565,838	0	0	1,565,838
ICT Equipment, Software and Other ICT Assets	1,536,030	0	0	1,536,030
Other Machinery and Equipment	275,703	0	0	275,703
Heritage and cultural assets	0	0	0	0
Intangible assets	1,198,000	0	0	1,198,000
Total	54,247,495	0	0	54,247,495

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Annex 5 –PMC Bank Balances as at 30th June 2023

PMC	Bank	Account number	Bank Balance As at 30th June 2023
Hospital Primary School	Equity Bank-Olkalou	0620292858125	2,147
Highlands Primary School	Equity Bank-Olkalou	0160291474108	500
Mirangine Secondary School	Equity Bank-Olkalou	0620280071039	98,735
Nyaituga Primary School	Equity Bank-Olkalou	0620262018069	3
Kieni Primary School	Equity Bank-Olkalou	0620294979602	61,709
Harambee Primary School	Equity Bank-Olkalou	0620262886531	661
Gichungo Primary School	Equity Bank-Olkalou	0620297273561	751
Ngorika Primary School	Equity Bank-Olkalou	0620263861954	409
Munyeki Primary School	Equity Bank-Olkalou	0620263144623	1,054
St Joseph Primary School	Equity Bank-Olkalou	0620294029521	2,693
Githima Primary School	Equity Bank-Olkalou	0620264432586	238
Kianda Primary School	Equity Bank-Olkalou	0620294215165	221
Rurii Sec School	Equity Bank-Olkalou	0620279948117	491,900
Kio Primary School	Equity Bank-Olkalou	0620262248658	1,323
Kaimbaga Primary School	Equity Bank-Olkalou	0620297256596	1,622,493
Kahonge Primary School	Equity Bank-Olkalou	0620262899407	7,743
Manyatta Primary School	Equity Bank-Olkalou	0620299245595	103,123
Matura Primary School	Equity Bank-Olkalou	0620262491281	2,100
Dundori Ccm Primary School	Equity Bank-Olkalou	0620263264489	110

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Gachwe Primary School	Equity Bank-Olkalou	0620263180562	1,638,775
Githunguri Primary School	Equity Bank-Olkalou	0620272938068	166,440
Kanjuri Primary School	Equity Bank-Olkalou	0620299292297	630
Kamuyu Primary School	Equity Bank-Olkalou	0620299367192	1,636
Mbora Primary School	Equity Bank-Olkalou	0620298881206	101,083
Mirangine Primary School	Equity Bank-Olkalou	0620298939621	1,060
Murindati Primary School	Equity Bank-Olkalou	0620293791606	5,244
Rumathi Primary School	Equity Bank-Olkalou	0620297242650	102,370
Tumaini Primary School	Equity Bank-Olkalou	0620262473157	10,105
Wiyumiririe Primary School	Equity Bank-Olkalou	0620261817179	697,873
Kandutura Primary School	Equity Bank-Olkalou	0620298871944	79,221
Gatarwa Secondary School	Equity Bank-Olkalou	0620298751904	1,849,600
Mawingu Secondary School	Equity Bank-Olkalou	0620261955889	3,670,053
Kanjuri Secondary School	Equity Bank-Olkalou	0620262629963	4,280
Mlimani Primary School	Equity Bank-Olkalou	0620299293110	603,730
Mirangine Police Station	Equity Bank-Olkalou	0620281177764	1,500
Wiyumiririe Chiefs Office	Equity Bank-Olkalou	0620280224261	117,320
Nyakiambi Primary School	Equity Bank-Olkalou	0620299427429	1,038
Captain Primary School	Equity Bank-Olkalou	0620299773319	725
Mundi Primary School	Equity Bank-Olkalou	0620294972148	2,805
Gikumbo Assistant Chief	Equity Bank-Olkalou	0620272063921	165,020

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Kaimbaga Secondary School	Equity Bank-Olkalou	0620292845505	1,634
Rumathi Primary School	Equity Bank-Olkalou	0620297242650	102,370
Umoja Primary School	Equity Bank-Olkalou	0620263658870	2,763
Gituamba Primary School	Equity Bank-Olkalou	0620262894359	1,793
Mawingu Chiefs Office	Equity Bank-Olkalou	0620266035080	350,225
Huhoini Primary School	Equity Bank-Olkalou	0620299790677	1,429
Captain Acc Office	Equity Bank-Olkalou	0620271931311	400,340
Wanjura Primary School	Equity Bank-Olkalou	0620271399467	770
Kagaa Primary School	Equity Bank-Olkalou	0620264429225	990
Kandutura Primary School	Equity Bank-Olkalou	0620298871944	79,221
Mukindu Assistant Chief	Equity Bank-Olkalou	0620262479379	225
Manyatta Police Post	Equity Bank-Olkalou	0620262527927	150,580
Passenga Chiefs	Equity Bank-Olkalou	0620270900311	167,845
Nyaituga Secondary School	Equity Bank-Olkalou	0620262540767	8,890
Sabugo Secondary School	Equity Bank-Olkalou	0620262272190	1,379,485
Mihutu Secondary School	Equity Bank-Olkalou	0620264462020	1,208
Simba Senior Secondary School	Equity Bank-Olkalou	0620281024055	100,550
Kanyiriri Secondary School	Equity Bank-Olkalou	0620280965773	310
Kahonge Primary School	Equity Bank-Olkalou	0620262899407	7,743
Passenga Primary School	Equity Bank-Olkalou	0620294947651	830
Harambee Primary School	Equity Bank-Olkalou	0620262886531	661

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Matunda Primary School	Equity Bank-Olkalou	0620279334055	928,868
Ac Primary School	Equity Bank-Olkalou	0620298740078	1,833,740
Githunguri Primary School	Equity Bank-Olkalou	0620272938068	166,440
Mawingo Primary School	Equity Bank-Olkalou	0620262473494	638
Jm Primary School	Equity Bank-Olkalou	0620277248591	1,500
Kunyotoka Community	Equity Bank-Olkalou	0620283147765	1,000
Mugathika Primary School	Equity Bank-Olkalou	0620293676968	2,961,256
Mihuti Primary School	Equity Bank-Olkalou	0620297248368	1,201,169
Mundi Assistant Chiefs Office	Equity Bank-Olkalou	0620280966697	2,160
Rumathi Chiefs Office	Equity Bank-Olkalou	0620271855900	1,585
Kaimbaga Chiefs Office	Equity Bank-Olkalou	0620298641765	50,227
Karimaini Chiefs Office	Equity Bank-Olkalou	0620271833719	81,615
Kagaa Chiefs Office	Equity Bank-Olkalou	0620298838405	174,198
Olkalou Police Station	Equity Bank-Olkalou	0620282123456	1,559,000
Gichungo Sec School	Equity Bank-Olkalou	0620293658578	52,271
Kahigu Primary School	Equity Bank-Olkalou	0620292895193	537
TOTALS			23,394,487

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Annex 6: Progress On Follow Up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
Basis on Qualified Opinion	Double payment on Emergency Projects	The Errors we corrected and Funds stated to the planned projects	Not Resolved	May 2024
	Unsupported Expenditure	The Expenditure has since been supported	Not Resolved	May 2024
	Unsupported Balances	The balances are being supported	Not Resolved	May 2024
	Variances between the comparative balances and prior year audited financial statements	Financial statements have been adjusted	Not Resolved	May 2024
	Project Management Committee bank balances	Bank Certificates have been prepared	Not Resolved	May 2024
	Unsupported Committee expenses and Allowances		Not Resolved	May 2024
	Other matter	Budgetary Control And Performance		
Non-Compliance with PSASB		We will ensure Compliance	Not Resolved	May 2024
Project Implementation status		Updated	Not Resolved	May 2024
Failure to deduct withholding tax and retention fees		We have started deducting from FY 2023/2024	Not Resolved	May 2024
Unapproved over expenditure			Not Resolved	May 2024

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Time frame: <i>(Put a date when you expect the issue to be resolved)</i>
	Lack of Staff Establishment and scheme of service	Staff have been issued contracts for a 3year term	Not Resolved	May 2024
	Irregular procurement of fuel,oil and Lubricants	Procurement procedures are now followed/ Work tickets and detail orders are maintained.	Not Resolved	May 2024
	Ineffective Internal Controls of cash and Cash Equivalents		Not Resolved	May 2024
	Inefficient Asset Management	All assets belong to the NGCDF Board and as such	Not Resolved	May 2024



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Name: Hawah Abdul
Fund Account Manager.



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