


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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ON

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

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
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KAITI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

PWD-People living with disabilities

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The kaiti 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)

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National Government Constituencies Development Fund (NGCDF)

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

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 | Josefridah M Kameti |
| 2. | Sub-County Accountant | Gregory Mwaniki |
| 3. | Chairman NGCDFC | Japheth M Nyalita |
| 4. | Member NGCDFC | N/A |

(c) Fiduciary Oversight Arrangements

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

P.O. Box 1-90301,
NG-CDF Kaiti Building,
Mukuyuni ACC's Compound,
Okia-Makueni,
Kenya,

(e) Kaiti constituency NGCDF Contacts

Telephone: (254) 0720 120 932
E-mail: cdfkaiti@cdf.go.ke
Website: www.go.ke

(f) Kaiti constituency NGCDF Bankers

Kenya Commercial Bank,
Wote Branch,
P.O BOX 269-90300,
Makueni-Kenya.
A/C No:- 1105347109

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



**MR. JAPHETH M. NYALITA
CHAIRPERSON, NG-CDFC-KAITI**

BRIEF CONSTITUENCY PROFILE

Kaiti Constituency is an electoral constituency No. 085.

It comprises of the following wards.

1. UKIA WARD

County Assembly Ward No. 0420

Comprises of Utaati, Kyuasini, Nzuuni, Mukuyuni, Iuani, Kaumoni and Nthangu Sub-locations.

2. KEE WARD

County Assembly Ward No. 0421

Comprises of Makongo, Ikalyoni, Kivani, Kyamwalye, Kitandi, Nguluni, Kasunguni and MUTulani Sub-locations.

3. KILUNGU WARD

***Kaiti Constituency
National Government Constituencies Development Fund (NGCDF)
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County Assembly Ward No. 0422

Comprises of Kauti, Nduu, Ndiani, Kisekeni, Kithangathini and Kalongo Sub – locations.

4. ILIMA WARD

County Assembly Ward No. 0423

Comprises of Ndoloni, Wautu, Kyamuoso, and Musalala Sub-locations

Kaiti NG-CDF has had a significant improvement in utilization of funds received from the board some drawbacks like politics for the August general elections. We have improved overall absorption of funds from 74% last year to about 88% this year. There is also an improvement in the funds absorption in all the various project sectors as shown below.

I am Glad to present Kaiti NG-CDF Annual Financial statements for the FY 2022/2023.

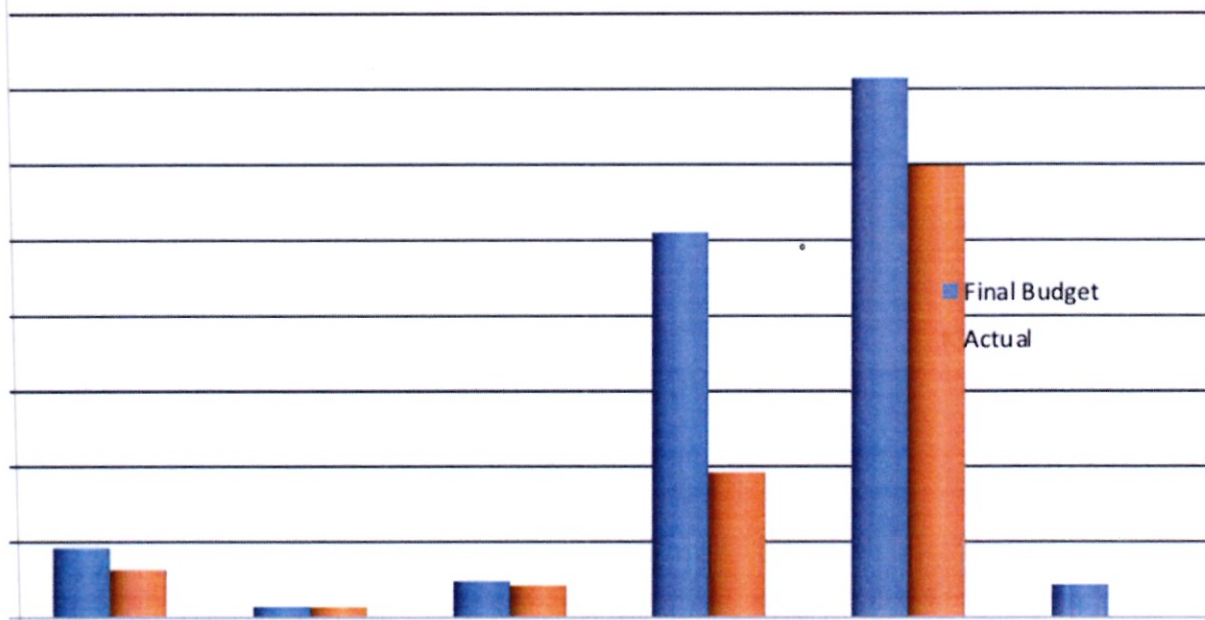
We had an allocation of Ksh.138, 215,033 and by June 2023 we had only received Ksh. 87,000,000 representing 63% of the total allocation. Out of this funding we disbursed the total amount allocated for bursary ksh 55,288,013. On this respect our demand schedule/applicants surpassed our anticipated outlay thereby compelling us to seek for reallocation from emergency sector balances from previous years.(ksh. 5000,000) .it is therefore evident that in the coming years our budget for bursary shall not fall short of maximum limit permissible by the NG CDF ACT. As we all know the funds disbursement to constituencies delayed considerably up to almost the last quarter of the FY 2022/23. This situation made it impossible for us to implement projects during the just concluded financial year but rather to focus on available funds that had been disbursed to us during the other financial years.

Budget Against Actual Performance

| Expense item | Final Budget | Actual Expenditure |
|-------------------------------------|---------------------|---------------------------|
| Compensation of Employees | 9,264,365 | 6,381,897 |
| Committee expenses | 1,500,000 | 1,408,981 |
| Use of goods and services | 4,819,762 | 4,251,628 |
| Transfers to Other Government Units | 50,997,626 | 19,200,000 |
| Other grants and transfers | 71,452,804 | 59,812,920 |
| Other Payments | 4,382,150 | 0 |

GRAPH 1: BUDGET AGAINST ACTUAL PERFORMANCE

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



| Expense item | Actual Expenditure |
|-------------------------------------|---------------------------|
| Compensation of Employees | 6,381,897 |
| Committee expenses | 1,408,981 |
| Use of goods and services | 4,251,628 |
| Transfers to Other Government Units | 19,200,000 |
| Other grants and transfers | 59,812,920 |
| Other Payments | 0 |

GRAPH 2: ACTUAL PERFORMANCE OF THE CONSTITUENCY



KEY ACHIEVEMENTS

During the financial year 2022/2023, kaiti NG-CDF has been able to hit tremendous achievements in different sectors, as highlighted;

- a. The Entity prioritised awarding of bursaries to needy students in the constituency and thus posting a higher performance in this sector.
- b. Projects were implemented on time hence posting a recommendable performance too in the Education sector.
- c. Other programmes i.e. sports and Environment were also implemented as planned and were very beneficial to the constituents.

I have sampled a photo of the projects that were implemented during the financial year as shown below



FIG 1: KATULYE PRIMARY SCHOOL-RENOVATION

Katulye primary school is located in kee ward. The renovation of 3 classrooms is complete and in use. This project is the pride of the Kaiti constituency because it serves upto 400 students within the school. The project is a clear indication of the milestones Kaiti NGCDF is wiling to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.

FIG 2: KAVUTINI PRIMARY SCHOOL-RENOVATION



Kavutini primary school is located in kee ward. The renovation of 3 classrooms is complete and in use. This project is the pride of the Kaiti constituency because it serves upto 400 students within the school. The project is a clear indication of the milestones Kaiti NGCDF is wiling to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.

FIG 3: VOO SAND DAM-CONSTRUCTION OF SAND DAM



Voo sand dam is located in Ukia ward. The construction of it is complete and in use. This project is the pride of the Kaiti constituency because it serves up to 400 constituents within the ward. The project is a clear indication of the milestones Kaiti NGCDF is willing to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.

Emerging Issues related to Kaiti NG-CDF

1. The rapidly increasing population in the constituency demanding for more expenditure on projects eg more classrooms
2. Declining sources of income for constituents leading to more needy students for bursary
3. Increasing emergency cases due to heavy rainfall and frequent wind storms
4. The rapid rate of inflation. This leads to more expenditure on projects than previously projected


Implementation Challenges

I. Lack of knowledge on the part of PMCs on procurement procedures and guidelines. Kaiti NG-CDF is conducting frequent PMC training in all the wards to enhance skills for the PMCs.

II. Inadequate funds for emergency projects. Most emergency cases are left unfunded because the available funds are not sufficient to meet the increasing emergency cases due to heavy rainfall and frequent wind storms.

The constituency usually seeks support from other government and non-governmental entities to fund all or some of the emergency cases not factored by Kaiti NG-CDF.

III. Delay in disbursement of funds from the board leading to delayed project implementation. The board should ensure that funds reach the constituency in time.



.....
Name: Japheth M Nyalita
CHAIRPERSON-NG-CDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

Introduction

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

The key development objectives of **Kaiti Constituency 2023-2028** Strategic plan are to:

- i. To act as an overarching Constituency development framework for guiding socio-economic transformation between 2023 and 2028.
- ii. To provide a local framework for actualizing the achievement of the Big 4 agenda and the Kenya vision 2030.
- iii. To reduce inequality through equitable distribution of resources across the wards within the constituency.
- iv. To create a firm foundation for socio-economic transformation through education and security infrastructural development.
- v. To enhance local resource mobilization from other development partners and actors within and outside the constituency.
- vi. To Facilitate annual planning and budgeting for the identified projects that will spur development in the constituency, and facilitate annual review of plans and budgets to track progressing implementation and draw lessons for incorporation I n subsequent planning and budgeting.
- vii. To provide a framework for continuous monitoring and systematic evaluation of development projects.

Progress on attainment of Strategic development objectives

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

| Constituency Sector | Objective | Outcome | Indicator | Performance |
|----------------------------|---|---|--|---|
| Education | To have all children of school going age attending school | Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions | <ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels | <p>In FY 22/23 we increased number of classrooms from 60 to 66 in primary schools and 30 to 34 in secondary schools.</p> <p>- Bursary beneficiaries at all levels were 6500 in secondary schools and 3500 in tertiary institutions. as per the attached schedules</p> |
| Security | Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service | Develop and enhance provincial administration and other security organs infrastructure to enhance | Number of usable physical infrastructure built in locations, sub locations and police stations | <p>Number of renovated chiefs' offices increased From 24 to 25</p> <p>Number of assistant chiefs' offices increased from 16 to 18</p> <p>Number of police lines increased from 8 to 9</p> |

Kaiti Constituency

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| | delivery | service delivery | | |
|-------------|---|---|---|---|
| Environment | Conserved environment through natural resources conservation initiatives | Environment conservation Equip schools and public facilities with sanitation | Number of drifts Number of sanitation facilities built in primary and secondary Number of trees | Construction of modern toilets in kikumini police station |
| Sports | Empower and develop youth and special groups | Reduced dependence and spur economic growth through Sports | Number of youth groups benefitting from the sports programme | There was sports tournaments where 20 teams benefited from sports kits and balls. |
| Emergency | To cater for unforeseen occurrences in the constituency during the financial year | Enhanced smooth running of operations. | Number of primary School of pit latrines sunk due to heavy rainfalls have been constructed by the emergency programme | Constructed a modern toilet in kikumini police station |

V. Statement of Governance

Introduction

The NGCDF Act 2016 on appointment of NGCDFC members states; The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

(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.

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

(4) The selection panel referred to in paragraph (1) shall consist of—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

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(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

1952 Kenya Subsidiary Legislation, 2016

The selection panel shall stand dissolved upon the appointment of the members of a Constituency Committee.

The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed Under the Act may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

In Kaiti, NGCDF is managed by a team of ten (10) NGCDFC members appointed in accordance with the NGCDF act 2015 as amended in 2022. The ten members comprise of seven gazetted members, a member coopted by the NGCDF Board, the deputy County commissioner and an officer of the board at the constituency level who is an ex-officio member. As a result of change of regime due to the elections carried out in August 2022, there had to be phased out the existing committee and a new one selected.

The gazetted members are appointed in accordance with the NGCDF Act 2015. They comprise of two female members one of whom must be a youth at the time of appointment and two male members one of whom must be a youth at the time of appointment and one member who is a person living with disabilities and two nominees of the Constituency office. Five members are selected by a selection panel chaired by the Deputy County Commissioner or his nominee and the Officer of the board is the secretary. The Officer of the board invites applications from persons who qualify for appointment within fourteen of the first meeting of the selection panel. The panel considers all applications and selects five applicants considering age, gender social interest and regional balance, the officer of the board submits the five qualified applicants to the board for appointment. The board coopts one person to ensure equity in representation in the committee. Through the national assembly the constituency office nominates two persons of either gender to and forward he names to the officer of the board at the constituency. All the names of the seven appointees are presented to parliament for approval and subsequent gazettelement.

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43 and its regulations provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the

process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

Further the NG CDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency. In the month of August 2022, due to change of regime as a result of election, the serving committee was phased off. This caused the NGCDF office to carry out an appointment of the new committee.

In Kaiti constituency, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee.

Appointment of NGCDFC Members

The selection Panel

The selection panel was appointed in the month of October. This constituted four members as follows;

| SNO | NAME | DESIGNATION |
|------------|------------------|--------------------|
| 1 | JANE M. THIGA | chair |
| 2 | FRANCIS MUIA | member |
| 3 | JAMES MULWA | member |
| 4 | DANIEL M. MALUKI | secretary |

The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency in the month of **11th October 2022**.

The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Kaiti Constituency Office as per section 43 of the NG-CDF Act, 2015.

| S/N | Name | Category representation | Ward |
|------------|-------------------------|--------------------------------|-------------|
| 1. | Japheth Musyoki Nyalita | Male(Adult) | Ilima |
| 2. | David Muthinzio Mbatha | Male(Youth) | Kilungu |
| 3. | Winfred Nthenya Katunga | Female(Adult) | Ukia |
| 4. | Angela Itumbi Mumbi | Female(Youth) | Kee |

Nominee of the body representing persons with disability

| S/N | Name | Nature of physical Impairment | Ward |
|-----|------------------------|-------------------------------|-------|
| 1 | Florence Mutania Mutie | Weakness on leg and hand. | ilima |

Nominee of the constituency Office

| S/N | Name | Category | Ward |
|-----|----------------------|----------|-------|
| 1 | Isaac Muloi Mwongela | Male | Ilima |
| 2 | Ruth Nduku Mwinzi | Female | Ukia |

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

| S/N | Name | Gender | Ward |
|-----|---------------------|--------|-------|
| 1. | Oliver Mutevu Mbuva | Male | kee ° |

The members went through the process of electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson position – Japheth Musyoki Nyalita
2. Secretary position – Isaac Muloi Mwongela

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

The appointed committee members were gazetted through gazetted volume number vol **cxxiv No 254** on 29th November 2022

The new committee held its first meeting on 2nd December 2022.

| Sno. | Name | Position |
|------|-------------------------|--------------|
| 1 | Japheth Musyoki Nyalita | Chair person |
| 2 | Isaac Muloi Mwongela | secretary |
| 3 | Josefrida Kameti | member |
| 4 | Jane Thiga | member |
| 5 | David muthinzio mbatha | member |

| | | |
|----|------------------------|--------|
| 6 | Angela itumbi mumbi | member |
| 7 | Florence mutania mutie | member |
| 8 | Winnie Katunga | member |
| 9 | Ruth nduku mwinzi | member |
| 10 | Oliver Mbuva | member |

Removal of NGCDFC Members

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

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) causing disharmony within the committee;
- (g) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In kaiti the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Roles and functions of NG-CDFC

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

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.

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- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. 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.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

Training of NG-CDFC Members

In the financial year 2022/2023 the NGCDF Board organized training of NGCDFC members. The constituency also held a capacity building activity in Mombasa on 2nd -7th April 2023. During the training, critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Kaiti

Number of meetings held

NGCDF ACT sec 43(11) The Constituency Committee shall meet at least six times in a year but The committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

During the financial year 2022/2023 the NGCDFC Kaiti held 12 meetings through the year,4 being for the previous committee while 8 for the current committee as illustrated as follows;

Kaiti Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****SCHEDULE OF MEETINGS HELD DURING THE FY 2022/2023**

| S.No | NG-CDFC COMMITTEE MEMBERS | 02/12/22 | 28/12/22 | 12/1/23 | 4/2/23 | 10/3/23 | 2/4/23 | 18/5/23 | 28/6/23 |
|------|---------------------------------|----------|----------|---------|--------|---------|--------|---------|---------|
| 1 | Japheth Musyoki Nyalita | √ | √ | √ | √ | √ | √ | √ | √ |
| 2 | Isaac Muloi Mwongela | √ | √ | √ | √ | √ | √ | √ | √ |
| 3 | Josefrida Kameti | √ | √ | √ | √ | √ | √ | √ | √ |
| 4 | Jane Thiga | √ | √ | √ | √ | √ | √ | √ | √ |
| 5 | David muthinzio mbatha | √ | √ | √ | √ | √ | √ | √ | √ |
| 6 | Angela itumbi mumbi | √ | √ | √ | √ | √ | √ | √ | √ |
| 7 | Florence mutania mutie | √ | √ | √ | √ | √ | √ | √ | √ |
| 8 | Winnie Katunga | √ | √ | √ | √ | √ | √ | √ | √ |
| 9 | Ruth nduku mwinzi | √ | √ | √ | √ | √ | √ | √ | √ |
| 10 | Oliver Mbuva | √ | √ | √ | √ | √ | √ | √ | √ |

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues;

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

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

Members remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance of ksh.7000 per meeting and all other members an allowance of ksh.5000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

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

Disclose policy on conflict of interest

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

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Kaiti has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring

that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification. .

VI. Environmental and Sustainability Reporting

Kaiti NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

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

- a. **Education and Training:** kaiti NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated

part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

NG-CDFC Kaiti has partnered with various institutions majorly from the county government to carry out environment conservation activities including planting of trees during rainy seasons

3. Employee welfare

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

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

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kaiti 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.

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



.....
**Name Josefridah M Kameti
Fund Account Manager.**

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-Kaiti 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-Kaiti 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- Kaiti constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF- Kaiti constituency financial statements were approved and signed by the Accounting Officer on 18TH April 2024.



Name: Japheth M Nyalita
Chairman – NGCDF Committee



Name: Josfridah M Kameti
Fund Account Manager

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KAITI 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 - Kaiti Constituency set out on pages 1 to 34, which

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

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 National Government Constituencies Development Fund - Kaiti 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 the Statement of Assets and Liabilities

Note 19.1 to the financial statements reflects Nil balance as pending accounts payable. However, review of the records provided revealed that there was an outstanding amount of Kshs.1,062,693 owed to a service provider for already rendered service and invoiced on design and production of tendering documents.

In the circumstances, the accuracy and completeness of Nil balance on pending accounts payables could not be confirmed.

2. Unsupported Project Management Committee Account Balances

Note 19.4 to the financial statements reflects Project Management Committee (PMC) account balances of Kshs.26,371. However, corresponding Annex 5 to the financial statements reflects a balance of Kshs.3,104,571 resulting in an unexplained variance of Kshs.3,093,200.

Further, the balance of Kshs.3,104,571 relates to eight (8) projects which had been completed during the year. However, bank confirmation certificates, bank statements, cash books and bank reconciliations for the accounts were provided for audit. In addition, the unspent balances had not been transferred back to the main Fund account hence was not included in the statement of assets and liabilities.

In the circumstances, the accuracy and completeness of the PMC bank account balance of Kshs.3,104,571 could not be confirmed.

3. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.59,812,920 as disclosed in Note 8 to the financial statements. Included in the amount is Kshs.55,212,920 incurred as bursaries transferred to secondary schools,

tertiary institutions and special schools. Although, the supporting documents provided revealed that a total of ten thousand (10,000) students were declared successful and awarded bursaries in the year under review, the criteria for beneficiaries' selection by the Bursary Sub-Committees was not provided for audit. Further, no acknowledgement receipts from the recipient institutions was provided for audit.

In the circumstances, the accuracy of the bursary disbursements amounting to Kshs.52,212,920 could not be confirmed.

4. Unsupported Renovations

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.19,200,000 and which as disclosed in Note 7 to the financial statements includes an amount of Kshs.1,200,000 for a primary school renovation to completion of four (4) classrooms, re-roofing, flooring, installation of doors, windows, plastering and painting. However, the procurement documents including bid documents, notice of invitation for quotation, quotation committee opening minutes and evaluation committee minutes were not provided for audit. Further, the Project Management Committee changed the approved scope of work to painting of eight (8) classrooms, headmaster's office and the staff room leaving out the renovation of classrooms. In addition, the tender documents were not adjusted to reflect the changes.

In the circumstances, the expenditure of Kshs.1,200,000 on renovation of the primary school could not be confirmed.

5. Unsupported Training Expenditure

The statement of receipts and payments reflects use of goods and services amount of Kshs.4,251,628 which as disclosed in Note 6 to the financial statements includes an amount of Kshs.1,199,000 in respect of training. However, review of records revealed that the Fund did not have a list of pre-qualified suppliers on training facilities during the year under review. Further, the records indicating the process used to identify and contract the suppliers were not provided for audit.

In the circumstances, the completeness and regularity of training expenditure of Kshs.1,199,000 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 - Kaiti 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.142,416,705 and Kshs.91,201,672 respectively resulting in an

under-funding of Kshs.51,215,033 or 36% of the budget. However, the Fund spent a balance of Kshs.91,055,426 against actual receipts of Kshs.91,201,672 resulting in an under-utilization of Kshs.146,246 of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had 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. Failure to Report Emergency Projects to the Board

The statement of receipts and payments reflects other grants and other transfers amount of Kshs.59,812,920 which as disclosed in Note 8 to the financial statements includes emergency projects expenditure of Kshs.1,900,000. However, there was no evidence indicating that the Fund Management reported the implementation of emergency projects to the National Government Constituencies Development Fund Board within 30 days of the occurrence. This was contrary to Regulation 20(2) of the National Government Constituency Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

2. Anomalies in Projects Implementation

Note 7 to the financial statement reflects transfers to other Government units amount of Kshs.19,200,000. However, physical inspection of five (5) sampled projects valued at Kshs.4,100,000 conducted in March, 2024 revealed the following anomalies;

- i. At Nguluni Primary School, the renovation of two classrooms costing Kshs.600,000 included treated roofing timber against insects costing Kshs.30,000 in the Bill of Quantities was not done. The floor slab and wall had visible cracks while records for final finishing on painting works indicated two (2) coats of paints applied instead of the agreed three (3) coatings.
- ii. Construction of a dormitory in AIC Mwaani-Ilima Secondary School costing Kshs.1,200,000 had incomplete slab and wall. Further, the Project Management Committee (PMC) changed the scope of works from one (1) storey to two (2) storey dormitory without the approval by the Board.
- iii. Records indicated that the renovation of two (2) classrooms at Engavu Primary School at a cost of Kshs.600,000 had two (2) coats of paint works done instead of three (3) coats and vents for the classrooms had not been done.
- iv. Further, the renovation of two (2) classrooms in Isovya Primary School at a cost of Kshs.600,000 and construction of six (6) doors pit latrine at Kithembe Primary School at cost of Kshs.1,100,000 all totaling to Kshs.1,700,000 also revealed incomplete paint works of only two (2) coats instead of three (3) as per the Bill of Quantities.
- v. In addition, the retention money in respect of five (5) projects totalling Kshs.410,000 was paid to the contractors before the expiry of defects liability period.

In the circumstances, value for money on the expenditure amounting to Kshs.4,100,000 incurred on the projects could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and 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 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 overall 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 controls that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 June, 2024

Kaiti Constituency

National Government Constituencies Development Fund (NGCDF)


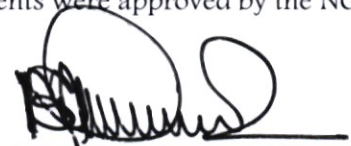

Annual Report and Financial Statements for The Year Ended June 30, 2023

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

| | Note | 2022-2023 | 2021-2022 |
|-------------------------------------|------|--------------------|---------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Transfers From NGCDF Board | 1 | 87,000,000 | 182,177,758 |
| Proceeds From Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | - |
| Total Receipts | | 87,000,000 | 182,177,758 |
| Payments | | | |
| Compensation Of Employees | 4 | 6,381,897 | 4,553,567 |
| Committee expenses | 5 | 1,408,981 | - |
| Use Of Goods and Services | 6 | 4,251,628 | 8,156,670 |
| Transfers To Other Government Units | 7 | 19,200,000 | 123,056,949 |
| Other Grants and Transfers | 8 | 59,812,920 | 65,495,654 |
| Acquisition Of Assets | 9 | - | - |
| Oversight Committee Expenses | 10 | 390,000 | - |
| Other Payments | 11 | - | - |
| Total Payments | | 91,055,426 | 201,262,840 |
| Surplus/(Deficit) | | (4,055,426) | (19,085,082) |

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 18th APRIL 2024 and signed by:

| | | |
|---|---|--|
|  Fund Account Manager |  National Sub-County Accountant |  Chairperson NG-CDF Committee |
| Name: <i>Josefridah M Kameti</i> | Name: <i>Gregory M Mwaniki</i> ICPAK M/No: <i>12536</i> , | Name: <i>Japheth M Nyalita</i> |


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

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

| | Note | 2022-2023 | 2021-2022 |
|--|------|----------------|------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash And Cash Equivalents | | | |
| Bank Balances (As Per the Cash Book) | 12A | 146,246 | 4,201,672 |
| Cash Balances (Cash at Hand) | 12B | - | - |
| Total Cash and Cash Equivalents | | 146,246 | 4,201,672 |
| Accounts Receivable | | | |
| Outstanding Imprests | 13 | - | - |
| Total Financial Assets | | 146,246 | 4,201,672 |
| Financial Liabilities | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 14A | - | - |
| Gratuity | 14B | - | - |
| Total Financial Liabilities | | - | - |
| Net Financial Assets | | 146,246 | 4,201,672 |
| Represented By | | | |
| Fund Balance B/Fwd | 15 | 4,201,672 | 23,286,754 |
| Prior Year Adjustments | 16 | - | - |
| Surplus/Deficit for The Year | | (4,055,426) | (19,085,082) |
| Net Financial Position | | 146,246 | 4,201,672 |


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 18th APRIL 2024 and signed by:



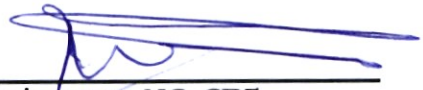
Fund Account Manager

Name: *Josefridah M Kameti*



National Sub-County
Accountant

Name: *Gregory M Mwaniki*
ICPAK M/No: *12526*



Chairperson NG-CDF
Committee

Name: *Japheth M Nyalita*

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

X. 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 | 87,000,000 | 182,177,758 |
| Other Receipts | 3 | - | - |
| Total Receipts | | 87,000,000 | 182,177,758 |
| Payments | | | |
| Compensation Of Employees | 4 | 6,381,897 | 4,553,567 |
| Committee Expenses | 5 | 1,408,981 | - |
| Use Of Goods and Services | 6 | 4,251,628 | 8,156,670 |
| Transfers To Other Government Units | 7 | 19,200,000 | 123,056,949 |
| Other Grants and Transfers | 8 | 59,812,920 | 65,495,654 |
| Oversight Committee Expenses | 10 | 500,000 | - |
| Other Payments | 11 | - | - |
| Total Payments | | 91,055,426 | 201,262,840 |
| Total Receipts Less Total Payments | | (4,055,426) | (19,085,082) |
| Adjusted For: | | | |
| Prior Year Adjustments | 16 | - | - |
| Decrease/(Increase) In Accounts Receivable | 17 | - | - |
| Increase/(Decrease) In Accounts Payable | 18 | - | - |
| Net Cash Flow from Operating Activities | | (4,055,426) | (19,085,082) |
| Cashflow From Investing Activities | | | |
| Proceeds From Sale of Assets | 2 | - | - |
| Acquisition Of Assets | 9 | | |
| Net Cash Flows from Investing Activities | | - | |
| Net Increase In Cash And Cash Equivalent | | (4,055,426) | (19,085,082) |
| Cash & Cash Equivalent At Start Of The Year | 12 | 4,201,672 | 23,286,754 |
| Cash & Cash Equivalent At End Of The Year | 12 | 146,246 | 4,201,672 |

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

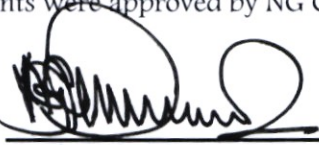
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 18th APRIL 2024 and signed by:



Fund Account Manager

Name: Josefridah M Kameti



**National Sub-County
Accountant**

Name: Gregory M Mwaniki
ICPAK M/No: 12566



**Chairperson NG-CDF
Committee**

Name: Japheth M Nyalita

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

| Receipts/Payments | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|-------------------------------------|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|------------------|
| | a | b | | c=a+b | d | e=c-d | f=d/c % |
| | 2022/2023 FY | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2022/2023 FY | 2022/2023 FY | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Receipts | | | | | | | |
| Transfers From NGCDF Board | 138,215,033 | 4,201,672 | - | 142,416,705 | 91,201,672 | 51,215,033 | 0.0% |
| Proceeds From Sale of Assets | - | - | - | - | - | - | 0.0% |
| Other Receipts | - | - | - | - | - | - | |
| Totals | 138,215,033 | 4,201,672 | - | 142,416,705 | 91,201,672 | 51,215,033 | 64.0% |
| Payments | | | | | | | |
| Compensation Of Employees | 6,119,591 | 3,144,772 | - | 9,264,363 | 6,381,897 | 2,882,466 | 68.9% |
| Committee Expenses | 1,804,000 | - | - | 1,804,000 | 1,018,981 | 785,019 | 56.5% |
| Use Of Goods and Services | 4,515,762 | - | - | 4,515,762 | 4,251,628 | 264,134 | 94.2% |
| Transfers To Other Government Units | 49,940,725 | 1,056,900 | - | 50,997,625 | 19,200,000 | 31,797,625 | 37.6% |
| Other Grants and Transfers | 71,452,805 | - | - | 71,452,805 | 59,812,920 | 11,639,885 | 83.7% |
| Acquisition of Assets | - | - | - | - | - | - | 0.0% |
| Oversight Committee Expenses | 1,382,150 | - | - | 1,382,150 | 390,000 | 992,150 | 28.2% |
| Other Payments | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 | 0.0% |
| Funds Pending Approval** | 138,215,033 | 4,201,672 | - | 142,416,705 | 91,055,426 | 51,361,279 | 63.9% |
| Totals | 138,215,033 | 4,201,672 | - | 142,416,705 | 91,201,672 | 51,215,033 | 0.0% |


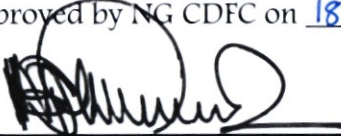

***Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*

a) **Commentary on underutilization**

- i. Compensation of employees: The entity engaged fewer employees than it had projected
 - ii. Transfer to other government units: Due to piece meal disbursement of funds from the board
 - iii. Other grants and transfers: Due to piece meal disbursement of funds from the board
- (Changes between the original and final budget are as a result of reallocations within the budget)

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|------------|
| Description | Amount |
| Budget utilisation difference totals | 51,361,279 |
| Less undisbursed funds receivable from the Board as at 30 th June 2023 | 51,215,033 |
| | 146,246 |
| Increase/(decrease) Accounts payable | 0 |
| (Decrease)/Increase Accounts Receivable | 0 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the 30 th June 2023 | 146,246 |

The Constituency financial statements were approved by NG CDFC on 18th APRIL 2024 and signed by:

| | | |
|--|--|--|
|  <hr style="border: 0.5px solid black;"/> <p>Fund Account Manager</p> <p>Name: <i>Josefridah M Kameti</i></p> |  <hr style="border: 0.5px solid black;"/> <p>National Sub-County Accountant</p> <p>Name: <i>Gregory M Mwaniki</i> ICPAK M/No: <i>1236</i></p> |  <hr style="border: 0.5px solid black;"/> <p>Chairperson NG-CDF Committee</p> <p>Name: <i>Japheth M Nyalita</i></p> |
|--|--|--|

XII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|----------------------------------|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 6,119,591 | 3,144,772 | | 9,264,363 | 6,381,897 | 2,882,466 |
| 1.2 Committee allowances | 624,000 | | | 624,000 | 580,000 | 44,000 |
| 1.3 Use of goods and services | 1,549,311 | | | 1,549,311 | 1,481,515 | 67,796 |
| Total | 8,292,902 | 3,144,772 | - | 11,437,674 | 8,443,412 | 2,994,262 |
| 2.0 Monitoring and evaluation | | | | | | - |
| 2.1 Capacity building | 2,126,451 | | | 2,126,451 | 1,995,113 | 131,338 |
| 2.2 Committee allowances | 1,180,000 | | | 1,180,000 | 438,981 | 741,019 |
| 2.3 Use of goods and services | 840,000 | | | 840,000 | 775,000 | 65,000 |
| Total | 4,146,451 | | - | 4,146,451 | 3,209,094 | 937,357 |
| 3.0 Emergency | | | | | | - |
| 3.1 Primary Schools | 2,000,000 | | | 2,000,000 | 900,000 | 1,100,000 |
| 3.2 Secondary schools | 4,000,000 | | | 4,000,000 | 1,000,000 | 3,000,000 |
| 3.3 Tertiary institutions | | | | - | | - |
| 3.4 Security projects | | | - | - | | - |
| 3.5 Unutilised | 1,636,190 | | | 1,636,190 | | 1,636,190 |
| Total | 7,636,190 | | - | 7,636,190 | 1,900,000 | 5,736,190 |
| 4.0 Bursary and Social Security | | | | - | | - |

Kaiti Constituency

National Government Constituencies Development Fund (NGCDF)

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|------------------------------|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| 4.1 Secondary Schools | 29,000,000 | | | 29,000,000 | 28,997,280 | 2,720 |
| 4.2 Tertiary Institutions | 26,288,013 | | | 26,288,013 | 26,215,640 | 72,373 |
| 4.3 Social Security | | | | - | | - |
| 4.4 Special Needs | | | | - | - | - |
| Total | 55,288,013 | - | - | 55,288,013 | 55,212,920 | 75,093 |
| 5.0 Sports | 2,264,301 | | | 2,264,301 | | 2,264,301 |
| 5.1 | 499,999 | | | 499,999 | | 499,999 |
| Total | 2,764,300 | | | 2,764,300 | 2,700,000 | 64,300 |
| | | | | | | - |
| 6.0 Environment | | | | | | - |
| Voo sand dam | 892,000 | | | 892,000 | | 892,000 |
| Kwa Kasamba sand dam | 956,000 | | | 956,000 | | 956,000 |
| Mataanisyoni sand dam | 916,302 | | | 916,302 | | 916,302 |
| Total | 2,764,302 | - | - | 2,764,302 | - | 2,764,302 |
| 7.0 Primary Schools Projects | | | | | | - |
| Kyuki Primary School | 2,400,000 | | | 2,400,000 | | 2,400,000 |
| Ngiluni Primary School | 1,200,000 | | | 1,200,000 | 1,200,000 | - |
| Nguluni Primary School | 600,000 | | | 600,000 | 600,000 | - |
| Isovyva Primary School | 600,000 | | | 600,000 | 600,000 | - |
| Engavu Primary School | 600,000 | | | 600,000 | 600,000 | - |
| Kee Primary School | 1,000,000 | | | 1,000,000 | | 1,000,000 |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|-----------------------------------|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Katulye Primary School | 900,000 | | | 900,000 | | 900,000 |
| Kavutini Primary School | 800,000 | | | 800,000 | | 800,000 |
| kaitu primary school | | 1,056,900 | | 1,056,900 | | 1,056,900 |
| | | | | - | | - |
| | | | | | | - |
| Total | 8,100,000 | 1,056,900 | - | 9,156,900 | 3,000,000 | 6,156,900 |
| 8.0 Secondary Schools Projects | | | | | | - |
| Ikalyoni secondary school | 2,400,000 | | | 2,400,000 | | 2,400,000 |
| AIC Mumbuni secondary school | 3,000,000 | | | 3,000,000 | | 3,000,000 |
| Thomeandu secondary school | 2,400,000 | | | 2,400,000 | | 2,400,000 |
| AIC Kavatanzou secondary school | 2,400,000 | | | 2,400,000 | | 2,400,000 |
| AIC Mwaani-Ilima secondary school | 1,200,000 | | | 1,200,000 | 1,200,000 | - |
| Kyang'a secondary school | 2,000,000 | | | 2,000,000 | | 2,000,000 |
| Kyau secondary school | 2,500,000 | | | 2,500,000 | | 2,500,000 |
| Nthukula ABC secondary school | 500,000 | | | 500,000 | | 500,000 |
| Mwea secondary school | 2,200,000 | | | 2,200,000 | | 2,200,000 |
| Engavu secondary school | 720,725 | | - | 720,725 | | 720,725 |
| Kywasini secondary school | 7,520,000 | | | 7,520,000 | | 7,520,000 |
| | | | | | | - |
| Total | 26,840,725 | | - | 26,840,725 | 1,200,000 | 25,640,725 |
| | | | | | | - |

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|--|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| 9.0 tertiary institutions Projects | | | | | | - |
| Kilungu Kenya Medical Training College | 15,000,000 | | | 15,000,000 | 15,000,000 | - |
| | | | | | | - |
| Total | 15,000,000 | | | 15,000,000 | | 15,000,000 |
| 10.0 Security Projects | | | | - | | - |
| Kilala Chiefs Office | 1,500,000 | | | 1,500,000 | | 1,500,000 |
| Kyakatoni Assistant Chief Office | 1,500,000 | | | 1,500,000 | | 1,500,000 |
| | | | | | | - |
| Total | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 |
| 11.0 Acquisition of assets | | | | - | | - |
| | - | | | | | - |
| Total | - | | | - | | - |
| | | | | | | - |
| | | | | | | - |
| 12.0 Oversight Committee Expenses (itemize) | | | | - | | - |
| Accommodation - Domestic Travel | 150,000 | | | 150,000 | | 150,000 |
| Advertising, Awareness and Publicity Campaigns | 50,000 | | | 50,000 | | 50,000 |
| Committee allowances | 942,150 | | | 942,150 | 390,000 | 552,150 |
| Daily Subsistence Allowance | 72,000 | | | 72,000 | | 72,000 |
| Publishing and Printing Services | 20,000 | | | 20,000 | | 20,000 |
| Refined Fuels and Lubricants for Transport | 100,000 | | | 100,000 | | 100,000 |

Kaiti Constituency

National Government Constituencies Development Fund (NGCDF)

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|--|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Telephone, Telex, Facsimile and Mobile Phone Service | 48,000 | | | 48,000 | | 48,000 |
| Total | 1,382,150 | | | 1,382,150 | 390,000 | 992,150 |
| 13.0 Other payments | | | | - | | - |
| Kaiti NG-CDF Strategic plan | 3,000,000 | | | 3,000,000 | | 3,000,000 |
| Total | 3,000,000 | | | 3,000,000 | | 3,000,000 |
| 14.0 unallocated fund | | | | | | - |
| Unapproved projects | | | | | | - |
| AIA | | | | | | - |
| PMC savings | | | | | | - |
| Total | | | | - | - | - |
| Grand totals | 138,215,033 | 4,201,672 | - | 142,416,705 | 91,055,426 | 51,361,279 |

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

XIII. Significant Accounting Policies

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits (gratuity and retentions).

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-Kaiti Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the entity for all the years presented.

a) Recognition of Receipts

The entity recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the Entity.

Transfers from the National Government Constituency Development Fund (NG-CDF)

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the entity.

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

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.

9. 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

10. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1st July 202x to 30th June 202x 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.

11. Comparative Figures

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

12. 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 202x.

13. 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.

14. 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.

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

XIV. Notes To the Financial Statements

1. Transfers from NGCDF Board

| Description | 2022-2023 | 2021-2022 |
|--------------|-------------------|--------------------|
| NGCDF Board | Kshs | Kshs |
| B185077 | 7,000,000 | |
| B185348 | 6,000,000 | |
| B155615 | 15,000,000 | |
| B206110 | 5,000,000 | |
| B205749 | 12,000,000 | |
| B185077 | 7,000,000 | |
| B185348 | 6,000,000 | |
| B155615 | 15,000,000 | |
| B206110 | 5,000,000 | |
| B205749 | 12,000,000 | |
| B185615 | 12,000,000 | |
| B207508 | 15,000,000 | |
| B207874 | 15,000,000 | |
| B155950 | - | 12,088,879 |
| B154027 | | 15,000,000 |
| B140906 | | 33,000,000 |
| B105448 | | 44,000,000 |
| B128518 | - | 5,000,000 |
| B128830 | - | 12,000,000 |
| B164470 | - | 20,000,000 |
| A895008 | - | 19,088,879 |
| B105782 | | 22,000,000 |
| TOTAL | 87,000,000 | 182,177,758 |

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 | - | - |

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

Notes To the Financial Statements (Continued)

3. Other Receipts

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

4. Compensation Of Employees

| | 2022-2023 | 2021-2022 |
|--|------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 3,781,815 | 3,594,768 |
| Personal allowances paid as part of salary | | |
| House Allowance | 444,842 | - |
| Transport Allowance | - | - |
| Leave allowance | - | - |
| Gratuity to contractual employees | 2,126,840 | 930,799 |
| Employer Contributions Compulsory national social security schemes | 28,400 | 28,000 |
| Total | 6,381,897 | 4,553,567 |

5. Committee Expenses

| | 2022-2023 | 2021-2022 |
|--------------------------|------------------|------------------|
| | Kshs | Kshs |
| Sitting allowance | 780,000 | 890,000 |
| Other committee expenses | 628,981 | 400,000 |
| Total | 1,408,981 | 1,290,000 |

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Notes To the Financial Statements (Continued)

6. Use of Goods and services

| | 2022-2023 | 2021-2022 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | 12,900 | 3,044,250 |
| Communication, supplies and services | 405,113 | - |
| Domestic travel and subsistence | 80,000 | - |
| Printing, advertising and information supplies & services | - | |
| Rentals of produced assets | | |
| Training expenses | 1,199,000 | |
| Hospitality supplies and services | 500,000 | - |
| Insurance costs | - | |
| Specialised materials and services | - | 770,300 |
| Office and general supplies and services | 870,000 | |
| Fuel , oil & lubricants | 250,000 | 4,342,120 |
| Other operating expenses | 775,000 | |
| Bank Charges | 9,615 | |
| Security operations | | |
| Routine maintenance - vehicles and other transport equipment | 150,000 | |
| Routine maintenance- other assets | - | |
| | | |
| Total | 4,251,628 | 8,156,670 |

7. Transfer To Other Government Units

| Description | 2022-2023 | 2021-2022 |
|--|-------------------|--------------------|
| | Kshs | Kshs |
| Transfers To Primary Schools (See Attached List) | 3,000,000 | 43,825,577 |
| Transfers To Secondary Schools (See Attached List) | 1,200,000 | 27,500,000 |
| Transfers To Tertiary Institutions (See Attached List) | 15,000,000 | 51,731,372 |
| Total | 19,200,000 | 123,056,949 |

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8. Other Grants and Other transfers

| | 2022-2023 | 2021-2022 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 28,997,280 | 23,998,450 |
| Bursary – tertiary institutions (see attached list) | 26,215,640 | 10,339,990 |
| Bursary – special schools (see attached list) | - | - |
| Mock & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | 12,966,000 |
| Security projects (see attached list) | - | 5,230,000 |
| Sports projects (see attached list) | 2,700,000 | 2,790,150 |
| Environment projects (see attached list) | - | 2,721,414 |
| Emergency projects (see attached list) | 1,900,000 | 7,449,650 |
| Roads projects (see attached list) | - | - |
| Total | 59,812,920 | 65,495,654 |

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 | - | - |
| 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 | - | - |

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10. Oversight Committee Expenses

| | 2022-2023 | 2021-2022 |
|----------------------|----------------|-----------|
| | Kshs | Kshs |
| Committee allowances | 390,000 | - |
| | - | - |
| TOTAL | 390,000 | - |

11. Other Payments

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

12. Cash Book Bank Balance

| Name Of Bank, Account No. & Currency | 2022-2023 | 2021-2022 |
|--|----------------|---------------------|
| | Kshs | Kshs |
| 12A: Bank Accounts (Cash Book Bank Balance) | | |
| Kaiti NG-CDF KCB- Wote A/C No:- 1105347109 | 146,246 | 4,201,672.45 |
| | - | - |
| Total | 146,246 | 4,201,672.45 |
| | | |
| 12 B: Cash on Hand | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Location 3 | - | - |
| Other Locations (<i>Specify</i>) | - | - |
| Total | - | - |

13. Outstanding Imprests

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

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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) | 2,126,840 | - |
| Gratuity paid during the Year (C) | 2,126,840 | - |
| Closing Gratuity as at 30 th June D= A+B-C | - | - |

15. Fund Balance B/F

| | (1st July 2022-1) | (1st July 2021-2) |
|------------------------------|-------------------------------------|-------------------------------------|
| | Kshs | Kshs |
| Bank accounts | 4,201,672 | 23,286,754 |
| Cash in hand | - | - |
| Imprest | - | - |
| Total | 4,201,672 | 23,286,754 |
| Less | | |
| Payables: - Retention | - | - |
| Payables – Gratuity | - | - |
| Fund Balance Brought Forward | 4,201,672 | 23,286,754 |

Notes to the Financial Statement Continued

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 | 1,062,693 | - | 1,062,693 |
| Receivables | - | | - |
| Others (<i>specify</i>) | - | - | - |
| Total | 1,062,693 | - | 1,062,693 |

** 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 (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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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 | 2,882,466 | 3,143,230 |
| Committee expense | 785,019 | |
| Use of goods and services | 264,134 | |
| Amounts due to other Government entities (see attached list) | 31,797,625 | 1,056,900 |
| Amounts due to other grants and other transfers (see attached list) | 11,639,885 | |
| Acquisition of assets | | |
| Oversight Committee Expenses | 992,150 | - |
| Other Payments (<i>specify</i>) | 3,000,000 | |
| Funds pending approval | | |
| Total | 51,361,279 | 4,200,130 |

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19.4: PMC account balances (See Annex 5)

| | 2022-2023 | 2021-2022 |
|--|------------------|------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | 26371 | 3474 |
| Total | 26371 | 3474 |

XV. 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 | | | | | |

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 | | | | |

| Name | Brief Transaction Description | Outstanding Balance Current FY | Outstanding Balance Previous FY | Comments |
|--|-------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Compensation of employees | salaries | 2,882,468 | 3144772 | Delay in disbursement of funds |
| Use of goods & services | Committee allowances | 659,005 | | Delay in disbursement of funds |
| Amounts due to other Government entities | | | | Delay in disbursement of funds |
| Kyuki Primary School | construction of 2 classrooms | 2,400,000 | | Delay in disbursement of funds |
| Kee Primary School | construction of 1 classroom | 1,000,000 | | Delay in disbursement of funds |
| Katulye Primary School | renovation of 3 classrooms | 900,000 | | Delay in disbursement of funds |
| Kavutini Primary School | renovation of 3 classrooms | 800,000 | | Delay in disbursement of funds |
| katitu primary school | renovation of 3 classrooms | | 1,056,900 | Delay in disbursement of funds |
| Ikalyoni secondary school | construction of 2 classrooms | 2,400,000 | | Delay in disbursement of funds |
| AIC Mumbuni secondary school | construction of 2 classrooms | 3,000,000 | | Delay in disbursement of funds |
| Thomeandu secondary school | construction of 2 classrooms | 2,400,000 | | Delay in disbursement of funds |
| AIC Kavatanzou secondary school | construction of 2 classrooms | 2,400,000 | | Delay in disbursement of funds |
| Kyang'a secondary school | construction of 2 classrooms | 2,000,000 | | Delay in disbursement of funds |
| Kyau secondary school | construction of 2 classrooms | 2,500,000 | | Delay in disbursement of funds |
| Nthukula ABC secondary school | construction of 2 classrooms | 500,000 | | Delay in disbursement of funds |
| Mwea secondary school | construction of 2 classrooms | 2,200,000 | | Delay in disbursement of funds |

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| Name | Brief Transaction Description | Outstanding Balance Current FY | Outstanding Balance Previous FY | Comments |
|---|-------------------------------|--------------------------------|---------------------------------|--------------------------------|
| Engavu secondary school | leveling of scool ground | 720,726 | | Delay in disbursement of funds |
| Kyuasini secondary school | purchase of school bus | 7,520,000 | | Delay in disbursement of funds |
| | | | | |
| | | | | |
| Sub-Total | | 35,339,099 | 4,201,672 | |
| Amounts due to other grants and other transfers | | | | Delay in disbursement of funds |
| Kilala Chiefs Office | | 1,500,000 | | Delay in disbursement of funds |
| Kyakatoni Assistant Chief Office | | 1,500,000 | | Delay in disbursement of funds |
| Voo sand dam | | 892,000 | | Delay in disbursement of funds |
| Kwa Kasamba sand dam | | 956,000 | | Delay in disbursement of funds |
| Mataanisiyoni sand dam | | 916,301 | | Delay in disbursement of funds |
| Sports | Sports kit | 64,300 | | Delay in disbursement of funds |
| Bursary | Secondary Schools | 2,720 | | Delay in disbursement of funds |
| Bursary | Tertiary Institutions | 72,373 | | Delay in disbursement of funds |
| | emergency | 5,736,190 | | Delay in disbursement of funds |
| | | | | |
| Sub-Total | | | | |
| Acquisition of assets | | | | |
| | | | | |
| Oversight Committee Expenses (itemize) | | | | |

| Name | Brief Transaction Description | Outstanding Balance Current FY | Outstanding Balance Previous FY | Comments |
|---------------------------|--|--------------------------------|---------------------------------|--------------------------------|
| | Accommodation - Domestic Travel | 150,000 | | Delay in disbursement of funds |
| | Advertising, Awareness and Publicity Campaigns | 50,000 | | Delay in disbursement of funds |
| | Committee allowances | 552,150 | | Delay in disbursement of funds |
| | Daily Subsistence Allowance | 72,000 | | Delay in disbursement of funds |
| | Publishing and Printing Services | 20,000 | | Delay in disbursement of funds |
| | Refined Fuels and Lubricants for Transport | 100,000 | | Delay in disbursement of funds |
| | Telephone, Telex, Facsimile and Mobile Phone Service | 48,000 | | Delay in disbursement of funds |
| | | | | |
| Others (<i>specify</i>) | Strategic plan | 3,000,000 | | Delay in disbursement of funds |
| | | | | |
| | | | | |
| Sub-Total | | 4,382,150 | | |
| Funds pending approval | | | | |
| Grand Total | | 51,361,279 | | |

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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 | 0 | 0 | 0 | 0 |
| Buildings and structures | 6,100,000 | 0 | 0 | 6,100,000 |
| Transport equipment | 4,343,000 | 0 | 0 | 4,343,000 |
| Office equipment, furniture and fittings | 0 | 0 | 0 | 0 |
| ICT Equipment, Software and Other ICT Assets | 267,500 | 0 | 0 | 267,500 |
| Other Machinery and Equipment | 18,005,520 | 0 | 0 | 18,005,520 |
| Heritage and cultural assets | | 0 | 0 | |
| Intangible assets | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| | 28,716,020 | 0 | 0 | 28,716,020 |

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Annex 5 –PMC Bank Balances As At 30th June 2023

| PMC | Bank | Account number | Bank Balance 2022/2023 | Bank Balance 2021/2022 |
|---------------------------|---------------|-----------------------|-------------------------------|-------------------------------|
| ENGAVU SECONDARY SCHOOL | 0670295056274 | EQUITY | 0 | 0 |
| ISOVYA PRIMARY SCHOOL | 0670282938627 | EQUITY | 0 | 0 |
| NGULUNI PRIMARY SCHOOL | 0670297031220 | EQUITY | 2,822 | 2,902 |
| NGILUNI PRIMARY SCHOOL | 0670294714546 | EQUITY | 1,200,205 | 205 |
| MUTHETHE PRIMARY SCHOOL | 0670284323157 | EQUITY | 600,000 | 0 |
| KIVAKU PRIMARY SCHOOL | 0670193483834 | EQUITY | | |
| KIMWATHO PRIMARY SCHOOL | 1311098259 | KCB | 300,000 | 00 |
| AIC MWAANI SEC SCHL-ILIMA | 1105347109 | KCB | 1,001,544 | 1,744 |
| TOTAL | | | 3,104,571 | 3,474 |

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|---|-----------------------------------|--|
| | Unsupported project Expenditures | Project files are now available for verification | Resolved | |
| | Projects were implemented without involvement of sub-county works office in designing, preparing the bill of quantities, supervision and inspection of the projects. The audit could not confirm if the projects meet the standard requirements. | Public works officer was used to prepare all the bill of quantities and issuing of completion certificates for projects. These certificates are available in the office for verification. | Resolved | |
| | | | | |



 Name: **Josefridah M Kameti**
 Fund Account Manager.