


REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT



|                                                                                                                            |                                     |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <br>THE NATIONAL ASSEMBLY<br>BILLS LAID |                                     |
| <b>OF</b><br>DATE: 17 SEP 2024                                                                                             | <b>DAY.</b><br>TUESDAY              |
| TABLED<br>BY:                                                                                                              | Head over BAYA<br>D/Majority leader |
| <b>THE AUDITOR-GENERAL</b> /N20 FU 1                                                                                       |                                     |

ON

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

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



| Table of Content                                                                     | Page  |
|--------------------------------------------------------------------------------------|-------|
| I. Acronyms and Abbreviations .....                                                  | ii    |
| II. Key Constituency Information and Management.....                                 | iii   |
| III. NG-CDFC Chairman’s Report .....                                                 | vii   |
| IV. Statement Of Performance Against Predetermined Objectives for FY 2022/2023 ..... | xi    |
| V. Statement of Governance .....                                                     | xiii  |
| VI. Environmental and Sustainability Reporting .....                                 | xvii  |
| VII. Statement of Management Responsibilities.....                                   | xxi   |
| VII. Report of the Independent Auditors On The NGCDF- Kabete Constituency .....      | xxiii |
| VIII. Statement of Receipts and Payments for the Year Ended 30th June 2023 .....     | 1     |
| IX. Statement Of Assets and Liabilities As At 30th June, 2023.....                   | 2     |
| X. Statement Of Cash Flows for The Year Ended 30th June 2023.....                    | 3     |
| XI. Summary Statement of Appropriation for The Year Ended 30th June 2023 .....       | 5     |
| XII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023..... | 7     |
| XIII. Significant Accounting Policies .....                                          | 12    |
| XIV. Notes To the Financial Statements.....                                          | 18    |
| XV. Annexes .....                                                                    | 30    |



i. Acronyms and Abbreviations

*Provide a list of all applicable acronyms and abbreviation e.g.*

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-

FY-Financial Year



30<sup>th</sup> June 2023



---

KABETE CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

ANNUAL REPORT AND FINANCIAL  
STATEMENT FOR THE FINANCIAL YEAR

ENDED  
30<sup>th</sup> JUNE 2023

---

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



## 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 Kabete Constituency NGCDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

#### Fiduciary Management

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

| No | Designation           | Name                 |
|----|-----------------------|----------------------|
| 1. | A.I.E holder          | Isabella N Mwangi    |
| 2. | Sub-County Accountant | Lucy W.Njenga        |
| 3. | Chairman NGCDFC       | Paul Kinyanjui Gitau |
|    |                       |                      |

#### (c) Fiduciary Oversight Arrangements

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

P.O. Box 515-00614,  
Wangige Health Centre Compound,  
Wangige  
KENYA

#### (e) Kabete Constituency NGCDF Contacts

Telephone: (254) 0722297710  
E-mail: [kabetecdf go.ke](mailto:kabetecdf.go.ke)  
Website: [KabeteConstituency.go.ke](http://KabeteConstituency.go.ke)



- (f) Kabete Constituency NGCDF Bankers  
Family Bank: Account no. 102000030692  
  
Branch Wangige.  
P.O.Box 74145-00200  
Nairobi.

- (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



Dear stakeholders,

On behalf of the Kabete NG CDFC, I am pleased to present the annual report and financial statement for the year ended 30<sup>th</sup> June 2023.

We Committed to achieving our vision of becoming a leader in utilising National Government Constituency Development Funds to transform and change lives.

During the year, Kabete constituency received **Ksh 88,000,000.00** which is 60 % of the allocation for the year.

A bulk of the funds came towards the close of the financial year but my committed N G C D F C ensured that most of it was utilised before the close of the financial year.



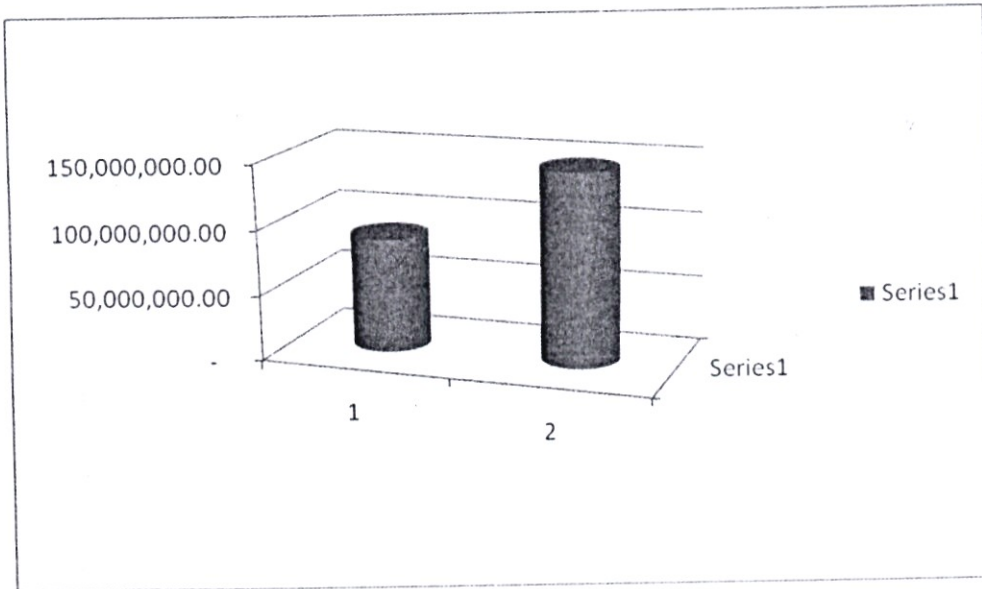
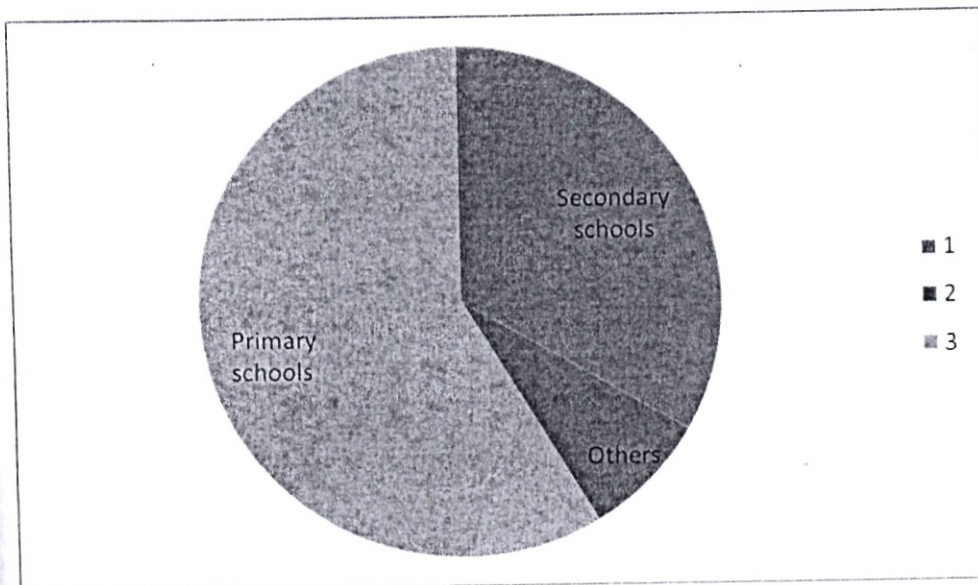


Figure 2 shows the funds allocated to the constituency during the financial year.  
 Figure 1 shows the funds received in the constituency within the year.

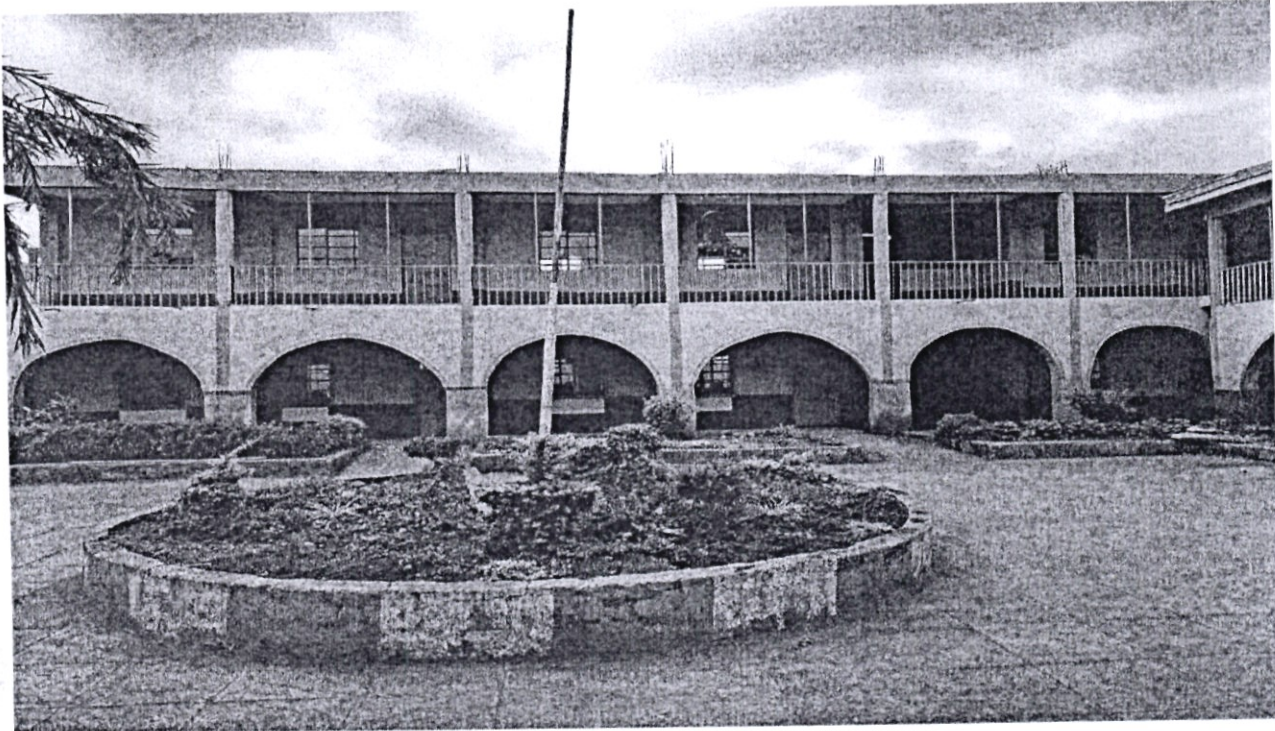
The funds were allocated to the various projects with reference to the project proposal that was informed by public participation meetings across the constituency with the lion's share going to primary schools.

Below is the graphical representation of this allocation:



The successful projects in the year are:

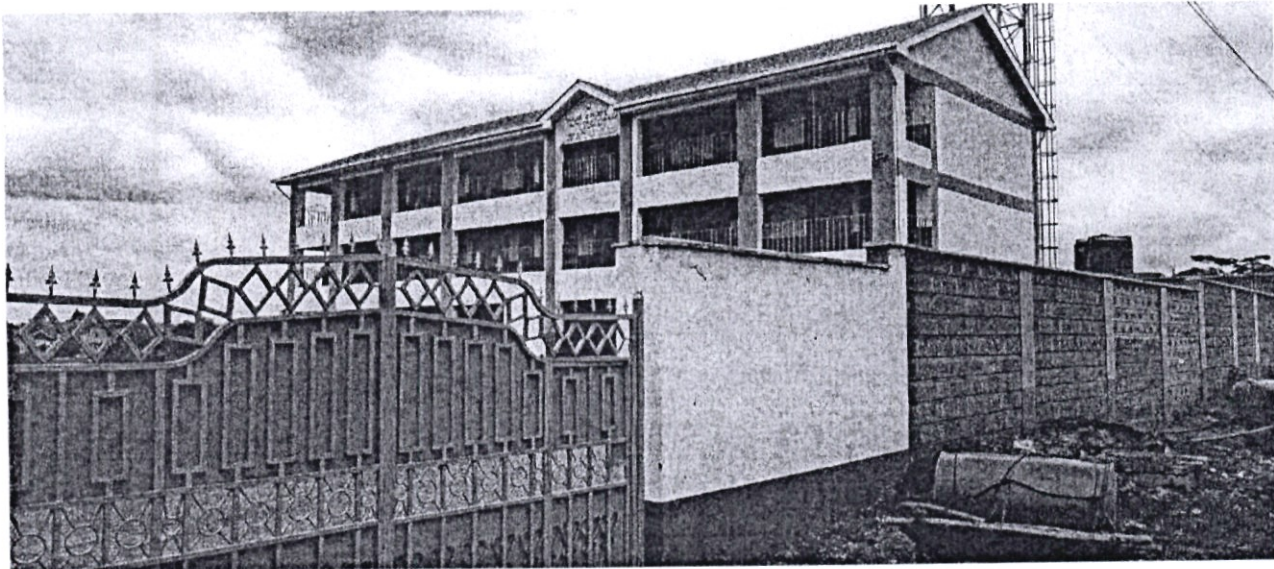
1. Gataara primary school construction of 3 additional classrooms built on an existing block. This will ensure that there is no more congestion in the existing classrooms by providing ample learning space for the pupils.



2. Wangige secondary school: Completion of a tuition block of 9 classrooms, with an administration block and a perimeter wall.

This has ensured that the secondary school operates in a clean and safe environment and out of the primary school compound where it was located before.





**Challenges experienced:**

The main challenge experienced in the period was delays in disbursement of funds from the NG CDF Board.

This caused delays in implementing projects and also issuing out bursary to the needy students in the constituency.

This was a National crisis, thus improvement is expected in the future as the economy improves.

.....  
*Paul Gitau Kinganjui*  
Name *Paul Gitau Kinganjui*  
CHAIRMAN NGCDF COMMITTEE

IV.Statement of Performance Against Predetermined Objectives for FY 2022/2023

Introduction

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

The key development objectives of *Kabete constituency 2022-2027* plan are to:

- 1.To improve the teaching and learning environment by implementing projects geared towards improving educational infrastructure in the constituency.
- 2.To strengthen the security systems in the constituency.
- 3.Build capacity of the youth to improve on entrepreneurship, innovation, creativity and economic independence.
- 4.Build capacity of the persons with disability to improve on entrepreneurship, innovation, creativity and economic independence.
- 5.To incorporate environmental protection in socio economic and infrastructural development projects.
- 6.To lobby for collaborations and partnerships to complement Kabete NG CDF 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:

| S         | Objective                                                 | Outcome                                                                                                       | Indicator                                                                                                                   | Performance                                                                                                                                           |
|-----------|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Education | To have all children of school going age attending school | Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions | Number of usable physical infrastructure buildings in primary, secondary, and tertiary institutions<br>-Number of bursary’s | In FY 2022/23<br>-we started the plan to increase number of classrooms by 10, 10 laboratories ,completion of 1 dormitory ,Construction of 5 perimeter |



|             |                                                                                                                |                                                                                                                                           |                                                                                                                                |                                                                                                                                                                                                                |
|-------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             |                                                                                                                |                                                                                                                                           | beneficiaries at all levels                                                                                                    | walls for primary schools<br><br>- Bursary beneficiaries at all levels were vetted and awarded bursaries i.e. 434 University students ,314 Colleges students, 5146 high school students and 197 PLWD students. |
| Security    | To strengthen the security systems in the Constituency                                                         | Improved security infrastructure and reduce cases of insecurity in the constituency                                                       | Number of improved infrastructures for security posts, chiefs and sub chiefs.<br>-                                             | In the FY 2022/2023 continued construction of Kamuguga police station.                                                                                                                                         |
| Environment | To improve environmental protection in socio economic and infrastructural development projects                 | Water harvesting in various primary and secondary schools in the constituency                                                             | Number of schools fitted with gutters and water storage tanks                                                                  | In the FY 2022/2023 fitted 10 schools with gutters and water storage tanks                                                                                                                                     |
| Sports      | To build capacity of the youth to improve o entrepreneurship, innovation, creativity and economic independence | Improved entrepreneurship, innovation, training creativity among the youth.<br>-Provide and support to sporting activities for the youth. | Number of youths who received bursaries to undertake courses in technical training institutes in order to improve their skills | In the FY 2022/2023 186 students were sponsored to take up courses in technical training institutions                                                                                                          |
| Emergency   | To prepare the NG CDF committee, staff and community at large on disaster management                           | Improve on disaster management and preparedness in the constituency                                                                       | Number of trainings on disaster preparedness and management in the constituency                                                | In the Financial year 2022/2023 started the construction of an ablution block at Kingeero primary school                                                                                                       |
|             |                                                                                                                |                                                                                                                                           |                                                                                                                                |                                                                                                                                                                                                                |

V. Statement of Governance

a) Appointment and Removal of NGCDFC Members

The members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee. A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee. Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel. 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.

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. 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 43(2)(b)(c) and (d) of the Act. 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.

The Board shall co-opt the person referred to in section 43(2) (g) of the Act to ensure equitable representation in the membership of a Constituency Committee. 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. The Board shall submit the names of the seven persons selected from each Constituency in accordance with section 43(2)(b), (c), (d) and (e) of the Act to the National Assembly for approval. 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.



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 section 43 (2) (b), (c), (d), (e) and (g) 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(2)(b)(c) or (d) shall be a mandatory signatory to the Constituency accounts.

The members of a Constituency Committee may be removed in accordance with section 43 (13) and (14) of the Act upon a receipt of a complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office. The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. If, at a meeting held pursuant to paragraph (4), members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph

(5). The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a Constituency Committee may hear such a member. The member against whom a complaint is made may call witnesses. If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter. Notwithstanding paragraph (10), a Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing. If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available.

A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision. The communication to the Board



under paragraph (14) shall include duly executed proceedings, together with all the supporting documents. The Board shall, within thirty days after receipt of the communication in paragraph (14), consider the matter and issue a final declaration which shall be binding on all parties. A member against whom a complaint is made shall not, participate in the deliberations and activities of a Constituency Committee from the time the Constituency Committee starts considering the complaint. If a member against whom a complaint is made responds to the allegations to the satisfaction of a Constituency Committee and the committee makes a determination in favour of such member, the member shall resume duties as a member of the Committee.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively. A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be heard. A Chairperson or secretary who is removed pursuant to paragraph (19) shall continue to discharge duties as a member of the Constituency Committee. At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

b) Roles and functions of the NGCDFC Committee The functions of a Constituency Committee shall be to;

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



projects take precedence, ensure that all projects receive adequate funding and are completed within three years, where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies.

- v. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board, monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board, ensure that project reports are prepared and submitted to the Board.
- vi. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects; ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund.
- 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, collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act, recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- viii. Submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain a list of all the new projects commenced during the financial year and their completion status, and a list of all projects approved, funded and commenced during previous financial years, and their completion status, enter into performance contracting with the Board on an annual basis, in exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution.
- ix. Receive returns from project management committees in accordance with regulation 15, maintain a database of project management committees and reports from the respective committees, and perform any other function assigned to it by the Board.

**c) NGCDFC and Sub-Committee Meetings**

The NG-CDFC who are under 2 years' renewable contract were gazette on 16<sup>th</sup> December 2022, the induction & training of NG-CDFC was held at Embu in the month of April 2023.

During the year the NGCDFC committee held a total of twenty-four meetings while the bursary subcommittee held a total of six meetings.

VI. Environmental and Sustainability Reporting

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

a. Education and Training: Kabete 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 work environment for the law enforcement agencies while collaborating with community in the on matters of security.

c. Environment: The Constituency acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.



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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## 2. Environmental performance

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

## 3. Employee welfare

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

Kabete 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-

Kabete 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.



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

---

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.

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

FUND ACCOUNTS MANAGER  
KABETE NG-CDF  
.....13 SEP 2023.....  
Name: Isabella N. Myangi  
Tel: 0722 297 710  
Fund Account Manager

## **VII . Statement of Management Responsibilities**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Kabete 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-Kabete 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- Kabete 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 Kabete 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- Kabete constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2023.



Name:

Chairman – NGCDF Committee

FUND ACCOUNTS MANAGER  
NG-CDF  
13 SEP 2023  
Name: Isabella N. Mwangi  
Tel: 0722 297 710  
Fund Account Manager  
P.O. Box 515-00814, WANGIGE

VII. Report of the Independent Auditors On The NGCDF- Kabete Constituency

KEY AUDIT MATTERS

1. Kabete NGCDF engaged Marc Construction Ltd for the Construction of Kabete Phase 1 NGCDF Offices for a contract sum Kshs. 28,676,480. Tender No. NGCDF/KBT/T/OFBLK/01/2022. However, upon enquiry the land ownership revealed that the structure occupies land of unknown measurement given to it by Kiambu County Government. The Fund does not possess an allotment letter or title deed of the land in its name as proof of ownership. No valuation report was provided for Audit verification.

2. Construction of Classrooms at Rungiri High School.

Scope of work provided included construction of 30 classrooms. However, site visit revealed the project had visible cracks on the floor and external walls appeared rough with only one coat of paint. No cornice on ceiling surfaces was done leading to an amount unaccounted for.

3. Construction of 4 Storied Classrooms at Kibiku Secondary School

The Project was completed and put to use. However, cracks and depressions were visible in the classrooms, corridors, edges and staircases. Cracks were also noticeable on the ceiling finishes with some areas appearing to have shoddy paint works.

4. Construction of 2 classrooms at Kahuho Uhuru High School.

The project status was complete and had been put to use by the student beneficiaries. The classrooms were built as an extension to an existing one with a shared wall. No architectural drawings presented for review. The walls, floor, paving slab and pillars had developed cracks.

As a result, the authenticity of the expenditures could not be confirmed and Management was in breach of the law.

RESPONSE

1. Allotment documents were availed
2. The contractors requested to make good the works especially the cracks before retention is paid.
3. The cornice was never paid for according to the Public Works Department.
4. The Public Works department confirms that 3 coats were applied.



VII. Report of the Independent Auditors On The NGCDF- Kabete Constituency

KEY AUDIT MATTERS

1. Kabete NGCDF engaged Marc Construction Ltd for the Construction of Kabete Phase 1 NGCDF Offices for a contract sum Kshs. 28,676,480. Tender No. NGCDF/KBT/T/OFBLK/01/2022. However, upon enquiry the land ownership revealed that the structure occupies land of unknown measurement given to it by Kiambu County Government. The Fund does not possess an allotment letter or title deed of the land in its name as proof of ownership. No valuation report was provided for Audit verification.

2. Construction of Classrooms at Rungiri High School.

Scope of work provided included construction of 30 classrooms. However, site visit revealed the project had visible cracks on the floor and external walls appeared rough with only one coat of paint. No cornice on ceiling surfaces was done leading to an amount unaccounted for.

3. Construction of 4 Storied Classrooms at Kibiku Secondary School

The Project was completed and put to use. However, cracks and depressions were visible in the classrooms, corridors, edges and staircases. Cracks were also noticeable on the ceiling finishes with some areas appearing to have shoddy paint works.

4. Construction of 2 classrooms at Kahuho Uhuru High School.

The project status was complete and had been put to use by the student beneficiaries. The classrooms were built as an extension to an existing one with a shared wall. No architectural drawings presented for review. The walls, floor, paving slab and pillars had developed cracks.

As a result, the authenticity of the expenditures could not be confirmed and Management was in breach of the law.

RESPONSE

1. Allotment documents were availed
2. The contractors requested to make good the works especially the cracks before retention is paid.
3. The cornice was never paid for according to the Public Works Department.
4. The Public Works department confirms that 3 coats were applied.



# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KABETE 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 - Kabete Constituency set out on pages 1 to 40, which



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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kabete 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 Financial Statements**

##### **1.1 Variances Between Financial Statements and Trial Balance**

The statement of receipts and payments reflects amounts of Kshs.1,936,000, Kshs.1,170,250 and Kshs.4,900,000 in respect of Committee expenses, gratuity and other payments respectively while the trial balance reflects amounts of Kshs.5,608,763, Nil and Kshs.3,500,000 resulting to an unreconciled variances of Kshs.3,672,7630, Kshs.1,170,250 and Kshs.1,400,000.

##### **1.2 Variances Between Financial Statements and Supporting Schedules**

The statement of receipts and payments reflects amounts of Kshs.1,738,704, Kshs.1,170,250 and Kshs.1,936,000 in respect of basic salary, gratuity and Committee expenses respectively while the supporting documents reflects amounts of Kshs.1,825,866, Kshs.978,398 and Kshs.5,608,763 resulting to an unreconciled variances of Kshs.87,162, Kshs.191,852 and Kshs.3,672,763.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **2. Unsupported Expenditure for Social Security Programmes**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.35,326,835 as disclosed in Note 8 to the financial statements. Included in the amount is an expenditure of Kshs.4,701,000 relating to poor and elderly National Health Insurance Fund (NHIF) social security programmes for Kabete Constituency residents per the provided documents. However, the supporting schedule did not include NHIF numbers for twenty-seven (27) beneficiaries.



In the circumstances, the accuracy and completeness of social security programmes expenditure amounting to Kshs.4,701,000 could not be confirmed.

### **3. Unsupported Expenditure on Committee Expenses**

The statement of receipts and payments reflects committee expenses amount of Kshs.1,936,000. However, the corresponding Note 5 to the financial statements reflects an amount of Kshs.5,608,763 resulting to an unreconciled variance of Kshs.3,672,763. In addition committee expenses amounting to Kshs.1,764,250 were not supported by minutes, requisition of the imprest, imprest approvals, work tickets or bus tickets, training programs and reports.

In the circumstances, the accuracy and completeness of expenditure on committee expenses amounting to Kshs.1,936,000 could not be confirmed.

### **4. Unsupported Expenditure on Use of Goods and Services**

The statement of receipts and payments indicates use of goods and services amount of Kshs.2,396,439 as disclosed in Note 6 to the financial statements. Review of payment documents revealed that expenditure amounting to Kshs.829,250 spent on training expenses, domestic travel and subsistence allowances was not supported by minutes, expenditure approval memos, training programs, reports and evidence of procurement of conference facilities.

In the circumstances, the accuracy and completeness of use of goods and services amounting to Kshs.829,250 could not be confirmed.

### **5. Lack of Ownership Documents**

Annex 4 to the financial statements reflects summary of fixed asset register balance of Kshs.29,200,000 which includes buildings and structures valued at Kshs.28,000,000. Included in the expenditure, is ongoing construction of Kabete Constituency Development Fund offices constructed on land belonging to the County Government of Kiambu. However, the ownership documents pertaining to the land where the building is constructed have not been provided for audit review.

In the circumstances, accuracy and completeness and ownership of the land Nil balance could not be confirmed.

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

Note 18.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance totalling Kshs.10,929,906. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.10,929,906 could not be confirmed.



## **7. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.35,326,835 and as disclosed in Note 8 to the financial statements which includes bursary payments amounting to Kshs.23,269,000, Kshs.2,942,877 and Kshs.1,120,000 disbursed to secondary schools, tertiary institutions and special schools respectively. However, no acknowledgement letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.27,331,871 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 - Kabete 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 budget and actual on comparative basis of Kshs.154,329,807 and Kshs.97,242,204 respectively resulting to an under-funding of Kshs.57,087,603 or 37% of the budget. However, the Fund spent a balance of Kshs.87,500,570 against actual receipts of Kshs.97,242,204 resulting to under-utilization of Kshs.9,741,634 or 10% 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 report of the previous year, several issues were raised under 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 nor given any explanation for the 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 Surrender Project Management Committee Balance

Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance of Kshs.10,929,906. Physical inspection of sampled projects at Uthiru Primary School, Wangige Secondary School, Kabete School and Muga Model Primary School with bank balances of KShs.148,905, Kshs.161,489, Kshs.28,298 and Kshs.320,892, respectively confirmed that the projects had been completed and certificates or practical completion issued. However, at the time of audit, no PMC had returned unutilized funds to the Constituency Fund account contrary to Section 12(8) of the National Government Constituency Development Fund Act, 2015 (Amended 2022). Further, PMC returns to the Constituency Committee did not show accountability of the balance of Kshs.10,033,913 brought forward from previous year.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.10,929,906 could not be confirmed.

#### 2. Project Implementation Status

During the year under review, the Fund had planned to implement projects with an allocated amount of Kshs.71,829,174. However, the following issues were noted;

##### 2.1 Poor Workmanship in the Construction of Perimeter Wall at Muguga Primary School

Physical inspection of construction of a perimeter wall at Muguga Primary School revealed that the wall had developed four major cracks in different places thereby putting the wall in danger of collapsing despite the fact that it was completed in the financial year 2023/2024.

##### 2.2 Irregularities in the Procurement of Construction Works

During the year under review, it was noted that both the Constituency Tender Opening Committee and Tender Evaluation Committee consisted of the same members contrary



to Section 80 of Public Procurement and Asset Disposal Act, 2015. Further, tender for the construction of water base and rainwater goods in various schools in Kabete Constituency awarded to Contractor, revealed that the winning bidder received notification of award on 13 March, 2023 and the contract issued on 20 March, 2023 which is contrary to Section 135(3) of the Public Procurement and Asset Disposal Act, 2015 that requires contract agreement to be signed after fourteen (14) days from notification of award.

In addition, the number of tanks delivered as per the delivery note was twenty-two (22) yet the quantity stated on the notice of award was twenty-five (25) for the water bases.

In the circumstances, Management was in breach of the law and value for money 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 controls, 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related



to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

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

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

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

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



which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

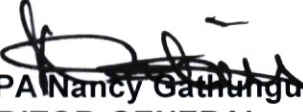
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 June, 2024



**Kabete 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

| I. STATEMENT OF RECEIPTS AND PAYMENTS |      |                   |                     |
|---------------------------------------|------|-------------------|---------------------|
|                                       | Note | 2022-2023         | 2021-2022           |
|                                       |      |                   | Kshs                |
| <b>RECEIPTS</b>                       |      |                   |                     |
| Transfers from NGCDF Board            | 1    | 88,000,000        | 182,677,758         |
| Proceeds from Sale of Assets          | 2    | -                 | -                   |
| Other Receipts                        | 3    | -                 | -                   |
| <b>TOTAL RECEIPTS</b>                 |      | <b>88,000,000</b> | <b>182,677,758</b>  |
| <b>PAYMENTS</b>                       |      |                   |                     |
| Compensation of employees             | 4    | 2,966,194         | 1,748,880           |
| Committee expenses                    | 5    | 1,936,000         | 10,282,900          |
| Use of goods and services             | 6    | 2,396,439         | 3,508,606           |
| Transfers to Other Government Units   | 7    | 36,502,239        | 108,642,206         |
| Other grants and transfers            | 8    | 35,326,835        | 90,427,012          |
| Acquisition of Assets                 | 9    | 1,200,000         | 26,000,000          |
| Other Payments                        | 10   | 4,900,000         | -                   |
| <b>TOTAL PAYMENTS</b>                 |      | <b>87,500,570</b> | <b>240,609,604</b>  |
| <b>SURPLUS/DEFICIT</b>                |      | <b>499,430</b>    | <b>(57,931,846)</b> |

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

The Constituency financial statements were approved by the NGCDFC on 11<sup>th</sup> September 2023 and signed by:

UND ACCOUNTS MANAGER

Kind Account Manager,

13 SEP 2023

Tel: 0722-297 710

Box 515-00614, WANGIGE

Name: Isabella N. Mwangi

National Sub-County  
Accountant

Name: Lucy W NJENGA  
ICPAK M/No: 112 Z7

Chairman NG-CDF  
Committee

Name: Paul Gitau Kenyuni

**Kabete 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             |
| <b>FINANCIAL ASSETS</b>               |      |                   |                  |
| Cash and Cash Equivalents             |      |                   |                  |
| Bank Balances ( as per the cash book) | 12A  | 10,056,284        | 9,242,204        |
| Cash Balances (cash at hand)          | 12B  | -                 | -                |
| Total Cash and Cash Equivalents       |      | 10,056,284        | 9,242,204        |
| Accounts Receivable                   |      |                   |                  |
| Outstanding Imprests                  | 13   | -                 | -                |
| <b>TOTAL FINANCIAL ASSETS</b>         |      | <b>10,056,284</b> | <b>9,242,204</b> |
| <b>FINANCIAL LIABILITIES</b>          |      |                   |                  |
| Accounts Payable (Deposits)           |      |                   |                  |
| Retention                             | 14A  | -                 | -                |
| Gratuity                              | 14B  | 314,650           | -                |
| <b>NET FINANCIAL SSETS</b>            |      | <b>9,741,634</b>  | <b>9,242,204</b> |
| <b>REPRESENTED BY .</b>               |      |                   |                  |
| Fund balance b/fwd 1st July 2022      | 15   | 9,242,204         | 67,174,050       |
| Prior year adjustments                | 16   | -                 | -                |
| Surplus/Deficit for the year          |      | 499,430           | (57,931,846)     |
| <b>NET FINANCIAL POSITION</b>         |      | <b>9,741,634</b>  | <b>9,242,204</b> |

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

The Constituency financial statements were approved by NG CDFC on 11<sup>th</sup> September 2023 and signed by:

THE ACCOUNTS MANAGER

K. NG. CDF

Fund Account Manager

Tel: 0722 297 710

Name: 515100614 WANGIGE

National Sub-County  
Accountant

Name: Lucy W NYENYA  
ICPAK M/No: 11287

Chairman NG-CDF  
Committee

Name: Paul Gitau Njengui



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

|                                                 |    | 2022-2023    | 2021-2022    |
|-------------------------------------------------|----|--------------|--------------|
|                                                 |    | Kshs         | Kshs         |
| Receipts from operating activities              |    |              |              |
| Transfers from NGCDF Board                      | 1  | 88,000,000   | 182,677,758  |
| Other Receipts                                  | 3  | -            | -            |
|                                                 |    | 88,000,000   | 182,677,758  |
| Payments for operating activities               |    |              |              |
| Compensation of Employees                       | 4  | 2,966,194    | 1,748,880    |
| Committee expenses                              | 5  | 5,608,763    | 10,282,900   |
| Use of goods and services                       | 6  | 2,396,439.27 | 3,508,606    |
| Transfers to Other Government Units             | 7  | 36,894,545   | 108,642,206  |
| Other grants and transfers                      | 8  | 35,326,835   | 90,427,012   |
| Other Payments                                  | 10 | 4,900,000    | -            |
|                                                 |    | 86,300,570   | 214,609,604  |
| Adjusted for:                                   |    |              |              |
| Decrease/(Increase) in Accounts receivable      | 17 | -            | -            |
| Increase/(Decrease) in Accounts Payable         | 18 | 314,650      |              |
| Prior year Adjustments                          | 16 | -            | -            |
| Net Adjustments                                 |    | 314,650      | -            |
| Net cash flow from operating activities         |    | 2,014,080    | (31,931,846) |
|                                                 |    |              |              |
| <b>CASHFLOW FROM INVESTING ACTIVITIES</b>       |    |              |              |
| Proceeds from Sale of Assets                    | 2  | -            | -            |
| Acquisition of Assets                           | 9  | (1,200,000)  | (26,000,000) |
| Net cash flows from Investing Activities        |    | (1,200,000)  | (26,000,000) |
|                                                 |    |              |              |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b> |    | 814,080      | (57,931,846) |
| Cash and cash equivalent at START of the year   | 12 | 9,242,204    | 67,174,050   |
| Cash and cash equivalent at END of the year     |    | 10,056,284   | 9,242,204    |

**Kabete 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 11<sup>th</sup> September 2023 and signed by:

FUND ACCOUNTS MANAGER  
K... NG-CDF  
3 SEP 2023  
Name: Isabella N Mwangi  
Tel: 0722 297 710  
P.O. Box 515-00614, WANGIGE



National Sub-County  
Accountant

Name: Lucy W. Hjeroga  
ICPAK M/No: 11287



Chairman NG-CDF  
Committee

Name: Paul Gitau Kinyari



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

| Receipt/Expense Item                | Original Budget |                                | Adjustments                              | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|-----------------|--------------------------------|------------------------------------------|--------------|----------------------------|-------------------------------|------------------|
|                                     | a               |                                | b                                        | c=a+b        | d                          | e=c-d                         | f=d/c %          |
| RECEIPTS                            |                 | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements |              |                            |                               |                  |
| Transfers from NG-CDF Board         | 145,087,603     | 9,242,204                      | -                                        | 154,329,807  | 97,242,204                 | 57,087,603                    | 63.0%            |
| Proceeds from Sale of Assets        | -               | -                              | -                                        | -            | -                          | -                             | 0.0%             |
| Other Receipts                      | -               | -                              | -                                        | -            | -                          | -                             | 0.0%             |
| TOTAL RECEIPTS                      | 145,087,603     | 9,242,204                      | -                                        | 154,329,807  | 97,242,204                 | 57,087,603                    | 63.0%            |
| PAYMENTS                            |                 |                                |                                          |              |                            |                               |                  |
| Compensation of Employees           | 2,344,200       | 2,261,992                      | -                                        | 4,606,192    | 2,966,194                  | 1,639,998                     | 64.4%            |
| Committee expenses                  | 4,172,625       | -                              | -                                        | 4,172,625    | 1,936,000                  | 2,236,625                     | 46.4%            |
| Use of goods and services           | 6,588,059       | 862,625                        | -                                        | 7,450,684    | 4,669,202                  | 2,781,481                     | 62.7%            |
| Transfers to Other Government Units | 63,504,752      | 392,210                        | -                                        | 63,896,962   | 36,894,545                 | 27,002,417                    | 57.7%            |
| Other grants and transfers          | 54,377,967      | 5,725,378                      | -                                        | 60,103,345   | 34,934,629                 | 25,168,716                    | 58.1%            |
| Acquisition of Assets               | 9,200,000       |                                | -                                        | 9,200,000    | 1,200,000                  | 8,000,000                     | 13.0%            |
| Other Payments                      | 4,900,000       |                                | -                                        | 4,900,000    | 4,900,000                  | -                             | 100.0%           |
| TOTAL                               | 145,087,603     | 9,242,204                      | -                                        | 154,329,807  | 87,500,570                 | 66,829,237                    | 56.7%            |

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


*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.*


*Explanatory Notes.*


*The underutilisation of funds i.e 56.7% is due to the fact that the NGCDF Board did not disburse the funds on time.*

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities |            |
|---------------------------------------------------------------------------------------------|------------|
| Description                                                                                 | Amount     |
| Budget utilisation difference totals                                                        | 66,829,237 |
| Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023           | 57,087,603 |
|                                                                                             | 9,741,634  |
| Increase/ (decrease) Accounts payable                                                       | 314650     |
| (Decrease)/Increase Accounts Receivable                                                     | -          |
| Add/Less Prior Year Adjustments                                                             | -          |
| Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023                      | 10,056,284 |

The Constituency financial statements were approved by NG CDFC on 11<sup>th</sup> September 2023 and signed by:

  
 Fund Account Manager  
 Name: Isabella N. Mwangi

  
 National Sub-County Accountant  
 Name: Lucy W. Njeri  
 ICPAK M/No: 11287

  
 Chairman NG-CDF Committee  
 Name: Paul Gitau Kinyanjui



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

| Constituency oversight committee | Original Budget(a) | Adjustments(b)                 |                                          | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation(f=d/c %) |
|----------------------------------|--------------------|--------------------------------|------------------------------------------|------------------------|-------------------------------|----------------------------------------|---------------------------|
|                                  |                    | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements |                        |                               |                                        |                           |
|                                  | 2022-2023          |                                |                                          |                        |                               |                                        |                           |
|                                  | Kshs               |                                | Kshs                                     | Kshs                   | Kshs                          | Kshs                                   |                           |
| 1.0 Administration and Recurrent |                    |                                |                                          |                        |                               |                                        |                           |
| 1.1 Compensation of employees    | 2,279,400          | 2,261,992                      | -                                        | 4,541,392              | 2,851,714                     | 1,689,678                              | 63%                       |
| 1.2 Committee allowances         | 3,128,000          |                                | -                                        | 3,128,000              | 1,981,454                     | 1,146,546                              | 63%                       |
| 1.3 Use of goods and services    | 3,297,856          | 206,732                        |                                          | 3,504,588              | 1,493,868                     | 2,010,719                              | 43%                       |
| Total                            | 8,705,256          | 2,468,723                      | -                                        | 11,173,979             | 6,327,036                     | 4,846,943                              | 57%                       |
| 2.0 Monitoring and evaluation    |                    |                                |                                          |                        |                               |                                        |                           |
| 2.1 Capacity building            | 2,350,000          | 564,407                        | -                                        | 2,914,407              | 1,816,452                     | 1,097,955                              | 62%                       |
| 2.2 Committee allowances         | 1,000,000          |                                | -                                        | 1,000,000              | 646,454                       | 353,546                                | 65%                       |
| 2.3 Use of goods and services    | 1,002,628          | 91,486                         | -                                        | 1,094,114              | 781,454                       | 312,660                                | 71%                       |
| Total                            | 4,352,628          | 655,893                        | -                                        | 5,008,521              | 3,244,360                     | 1,764,161                              | 65%                       |
| 3.0 Emergency                    |                    |                                |                                          |                        |                               |                                        |                           |
| 3.1 Primary Schools              |                    |                                | -                                        | -                      | -                             | -                                      |                           |

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

|                                     |            |           |   |            |            |            |      |
|-------------------------------------|------------|-----------|---|------------|------------|------------|------|
| 3.2 Secondary schools               |            |           | - | -          | -          | -          |      |
| 3.3 Tertiary institutions           |            |           | - | -          | -          | -          |      |
| 3.4 Security projects               |            |           | - | -          | -          | -          |      |
| 3.5 Unutilised                      | 7,636,190  | -         | - | 7,636,190  | -          | 7,636,190  | 0%   |
| Total                               | 7,636,190  | -         | - | 7,636,190  | -          | 7,636,190  | 0%   |
| 4.0 Bursary and Social Security     |            |           |   |            |            |            |      |
| 4.1 Secondary Schools               | 19,000,000 | 3,999     | - | 19,003,999 | 17,368,999 | 1,635,000  | 91%  |
| 4.2 Tertiary Institutions           | 8,500,000  | 290,878   | - | 8,790,878  | 8,242,878  | 548,000    | 94%  |
| 4.3 Social Security                 | 9,402,000  | 5,430,501 | - | 14,832,501 | 4,701,000  | 10,131,501 | 32%  |
| 4.4 Special Needs                   | 1,938,025  |           | - | 1,938,025  | 1,720,000  | 218,025    | 89%  |
| Total                               | 38,840,025 | 5,725,378 | - | 44,565,403 | 32,032,877 | 12,532,526 | 72%  |
| 5.0 Sports                          |            |           |   |            |            |            |      |
| 5.1 Sports activities- Constituency | 1,320,876  |           | - | 1,320,876  | -          | 1,320,876  | 0%   |
| 5.3 Central Region Sports activitie | 300,000    |           | - | 300,000    | -          | 300,000    | 0%   |
| Total                               | 1,620,876  | -         | - | 1,620,876  | -          | 1,620,876  | 0%   |
| 6.0 Environment                     |            |           |   |            |            |            |      |
| 6.1 Cura Primary School             | 241,752    |           | - | 241,752    | 241,752    | -          | 100% |
| 6.2 Muguga Primary School           | 300,000    |           | - | 300,000    | 300,000    | -          | 100% |
| 6.3 Kibichiku Primary School        | 300,000    |           | - | 300,000    | 300,000    | -          | 100% |
| 6.4 Uthiru Primary School           | 300,000    |           | - | 300,000    | 300,000    | -          | 100% |
| 6.5 Wangige Primary School          | 300,000    |           | - | 300,000    | 300,000    | -          | 100% |
| 6.6 St Mary,s Kaimba primary school | 300,000    |           | - | 300,000    | 300,000    | -          | 100% |



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

|                                   |           |   |           |           |           |      |
|-----------------------------------|-----------|---|-----------|-----------|-----------|------|
| 6.7Kibichiku secondary school     | 260,000   | - | 260,000   | 260,000   | -         | 100% |
| 6.8Wangige secondary school       | 300,000   | - | 300,000   | 300,000   | -         | 100% |
| 6.9Kanjeru girls secondary School | 300,000   | - | 300,000   | 300,000   | -         | 100% |
| 6.10St Kevin,s secondary School   | 300,000   | - | 300,000   | 300,000   | -         | 100% |
| Total                             | 2,901,752 | - | 2,901,752 | 2,901,752 | -         | 100% |
| 7.0 Primary Schools Projects      |           |   |           |           |           |      |
| 7.1Ngure Primary School           | 3,000,000 | - | 3,000,000 |           | 3,000,000 | 0%   |
| 7.2 Ndurarua Primary              | 3,000,000 | - | 3,000,000 |           | 3,000,000 | 0%   |
| 7.3Rukubi Primary                 | 3,000,000 | - | 3,000,000 | 2,402,339 | 597,661   | 80%  |
| 7.4 Uthiru Primary                | 3,000,000 | - | 3,000,000 |           | 3,000,000 | 0%   |
| 7.5 Kanyariri Primary             | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.6Gataara Primary                | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.7Rungiri Primary                | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.8Kanjeru Primary                | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.9Kamuguga Primary               | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.10Muguga Primary                | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.11Kahuho Primary                | 500,000   | - | 500,000   |           | 500,000   | 0%   |
| 7.12St Marys Kaimba Primary       | 3,000,000 | - | 3,000,000 |           | 3,000,000 | 0%   |
| 7.13Karura ka nyungu primary      | 3,000,000 | - | 3,000,000 | 3,000,000 | -         | 100% |
| 7.14Kibiku primary                | 3,000,000 | - | 3,000,000 | 3,000,000 | -         | 100% |
| 7.15Mahiaini Primary              | 3,000,000 | - | 3,000,000 | 3,000,000 | -         | 100% |
| 7.16Ndongoro                      | 3,000,000 | - | 3,000,000 |           | 3,000,000 | 0%   |

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

|                                    |            |         |   |            |            |            |      |
|------------------------------------|------------|---------|---|------------|------------|------------|------|
| Primary                            |            |         |   |            |            |            |      |
| 7.17Kingeero primary               | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| 7.18Nyathuna Primary               | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| 7.19Wangige Primary School         | 500,000    |         | - | 500,000    |            | 500,000    | 0%   |
| 7.20Nyathuna Primary               | 500,000    |         | - | 500,000    |            | 500,000    | 0%   |
| 7.21Kirangari Primary              | 500,000    |         | - | 500,000    |            | 500,000    | 0%   |
| 7.22Kibichiku Primary School       | 500,000    |         | - | 500,000    |            | 500,000    | 0%   |
| 7.23Gataara Primary                | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| 7.24Kirangari Primary              | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| 7.25Muguga Primary                 | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| 7.26Uthiru Primary                 | 3,000,000  |         | - | 3,000,000  | 3,000,000  | -          | 100% |
| Total                              | 50,500,000 | -       | - | 50,500,000 | 29,402,339 | 21,097,661 | 58%  |
| 8.0 Secondary Schools Projects     |            |         |   |            |            | -          |      |
| Wangige Secondary sch              |            | 392,210 | - | 392,210    | 392,206    | 4          | 100% |
| Kabete High                        | 2,000,000  |         | - | 2,000,000  | 2,000,000  | -          | 100% |
| Wangige Secondary                  | 2,600,000  |         | - | 2,600,000  | 2,600,000  | -          | 100% |
| Wangige Secondary                  | 2,000,000  |         | - | 2,000,000  | 2,000,000  | -          | 100% |
| Uthiru Day Secondary               | 500,000    |         | - | 500,000    | 500,000    | -          | 100% |
| Total                              | 7,100,000  | 392,210 | - | 7,492,210  | 7,492,206  | 4          | 100% |
| 9.0 Tertiary institutions Projects |            |         |   |            |            | -          |      |
| Total                              | -          | -       | - | -          | -          | -          |      |



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

|                            |             |           |   |             |            |            |      |
|----------------------------|-------------|-----------|---|-------------|------------|------------|------|
| 10.0 Security Projects     |             |           |   | -           |            | -          |      |
| Kamuguga Police station    | 8,000,000   | -         | - | 8,000,000   | -          | 8,000,000  | 0%   |
|                            |             |           |   |             |            | -          |      |
| Total                      | 8,000,000   | -         | - | 8,000,000   | -          | 8,000,000  | 0%   |
| 11.0 Acquisition of assets |             |           |   | -           |            | -          |      |
| Public Address System      | 1,200,000   | -         | - | 1,200,000   | 1,200,000  | -          | 100% |
| Total                      | 1,200,000   | -         | - | 1,200,000   | 1,200,000  | -          | 100% |
| 13.0 Other payments        |             |           |   | -           |            | -          |      |
| Strategic Plan             | 3,500,000   | -         | - | 3,500,000   | 3,500,000  | -          | 100% |
| COC                        | 1,200,000   |           |   | 1,200,000   | 1,200,000  |            | 100% |
| Total                      | 4,900,000   | -         | - | 4,900,000   | 4,900,000  | -          | 100% |
| 14.0 unallocated fund      |             |           |   |             |            |            |      |
| Unapproved projects        | 9,330,876   | -         | - | 9,330,876   | -          | 9,330,876  | 0%   |
| AIA                        |             |           |   | -           | -          | -          |      |
| PMC savings                |             |           |   | -           | -          |            |      |
| Total                      | 9,330,876   | -         | - | 9,330,876   | -          | 9,330,876  | 0%   |
|                            | 145,087,603 | 9,242,204 | - | 154,329,807 | 87,500,570 | 66,829,237 | 57%  |

(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-Kabete Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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



*Significant Accounting Policies continued*

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

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

Proceeds from Sale of Assets

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

Other receipts

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

*Unutilized Funds from PMCs.*

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

External Assistance

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

b) Recognition of payments

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

*Significant Accounting Policies continued*

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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



*Significant Accounting Policies continued*

6. Cash and Cash Equivalent.

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

*Significant Accounting Policies continued*

7. Accounts Receivable

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

8. Accounts Payable

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

*Significant Accounting Policies continued*

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the entity at the end of the financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015

11. –

12. 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 8<sup>th</sup> June 2023 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

13. Comparative Figures

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



*Significant Accounting Policies Continued*

14. Subsequent Events

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

15. 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.

16. 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.

**Kabete 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   |
|-------------------|---------------|-------------|
|                   | Kshs          | Kshs        |
| Normal Allocation |               | 500,000     |
| AIE NO. B 140807  |               | 33,000,000  |
| AIE NO. B 140902  |               | 44,000,000  |
| AIE NO. B 105445  |               | 24,000,000  |
| AIE NO. B 105778  |               | 5,000,000   |
| AIE NO. B 128514  |               | 12,000,000  |
| AIE NO. B 128825  |               | 12,000,000  |
| AIE NO. B 154023  |               | 18,000,000  |
| AIE NO. B 164466  |               | 22,088,879  |
| AIE NO. B 155826  |               | 12,088,879  |
| AIE NO. B 155947  |               |             |
| AIE NO. B 207870  | 16,000,000.00 |             |
| AIE NO. B 207504  | 15,000,000.00 |             |
| AIE NO. B 206361  | 12,000,000.00 |             |
| AIE NO. B 205745  | 12,000,000.00 |             |
| AIE NO. B 206255  | 26,000,000.00 |             |
| AIE NO. B 185073  | 7,000,000.00  |             |
|                   |               |             |
|                   |               |             |
| TOTAL             | 88,000,000.00 | 182,677,758 |

2. Proceeds From Sale of Assets

| Description                                                | 2022-2023 | 2021-2022 |
|------------------------------------------------------------|-----------|-----------|
|                                                            | Kshs      | Kshs      |
| Receipts from the Sale of Buildings                        | -         | -         |
| Receipts from the Sale of Vehicles and Transport Equipment | -         | -         |
| Receipts from the Sale Plant Machinery and Equipment       | -         | -         |
| Receipts from the Sale of Office and General Equipment     | -         | -         |
| TOTAL                                                      | -         | -         |



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

3. Other Receipts

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

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

*Notes To the Financial Statements (Continued)*

4. Compensation Of Employees

| Description                                                           | 2022-2023           | 2021-2022        |
|-----------------------------------------------------------------------|---------------------|------------------|
|                                                                       | Kshs                | Kshs             |
| NG-CDFC Basic staff salaries                                          | 1,738,704.00        | 1,699,200        |
| Personal allowances paid as part of salary                            |                     |                  |
| House allowance                                                       | -                   | -                |
| Transport allowance                                                   | -                   | -                |
| Leave allowance                                                       | -                   | -                |
| Gratuity-contractual employees                                        | 1,170,250.00        | -                |
| Employer Contributions<br>Compulsory national social security schemes | 57,240.00           | 49,680           |
| <b>TOTAL</b>                                                          | <b>2,966,194.00</b> | <b>1,748,880</b> |

5. Committee Expenses

|                          |                     |                      |
|--------------------------|---------------------|----------------------|
| Sitting allowance        | 3,946,826.00        | 4,902,427            |
| Other committee expenses | 1,661,937.00        | 5,380,473            |
|                          |                     |                      |
| <b>TOTAL</b>             | <b>5,608,763.00</b> | <b>10,282,900.00</b> |



## 6. Use of Goods and services

| Description                                                  | 2022-2023    | 2021-2022    |
|--------------------------------------------------------------|--------------|--------------|
|                                                              | Kshs         | Kshs         |
| Utilities, supplies and services                             | 141,071.87   | 379,449.00   |
| Communication, supplies and services                         | 758,292.40   | 91,971.00    |
| Domestic travel and subsistence                              | 654,250      | 768,514.00   |
| Printing, advertising and information supplies & services    | -            | 100,160.00   |
| Rentals of produced assets                                   | -            | -            |
| Training expenses                                            | 275,000.00   | 1,050,397.00 |
| Hospitality supplies and services                            |              | 500,000.00   |
| Insurance costs                                              | 38,670.00    | 119,495.00   |
| Specialised materials and services                           | -            | -            |
| Office and general supplies and services                     | -            | 229,057.00   |
| Fuel , oil & lubricants                                      | -            | -            |
| Other operating expenses                                     | 454,155.00   | -            |
| Bank Charges                                                 | 75,000.00    | 76,563.00    |
| Security operations                                          | -            | 93,000.00    |
| Routine maintenance - vehicles and other transport equipment | -            | 100,000.00   |
| Routine maintenance- other assets                            | -            | -            |
| TOTAL                                                        | 2,396,439.00 | 3,508,606.00 |

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

*Notes To The Financial Statements (Continued)*

7. Transfer To Other Government Units

| Description                        | 2022-2023            | 2021-2022          |
|------------------------------------|----------------------|--------------------|
|                                    | Kshs                 | Kshs               |
| Transfers to Primary Schools       | 29,402,339.00        | 63,450,000         |
| Transfers to Secondary Schools     | 7,100,00.00          | 45,192,206         |
| Transfers to Tertiary Institutions | -                    |                    |
| <b>TOTAL</b>                       | <b>36,502,339.00</b> | <b>108,642,206</b> |

8. Other Grants and Other transfers

| Description                               | 2022-2023            | 2021-2022         |
|-------------------------------------------|----------------------|-------------------|
|                                           | Kshs                 | Kshs              |
| Bursary - Secondary ( see attached list)  | 23,269,000.00        | 34,060,070        |
| Bursary -Tertiary ( see attached list)    | 2,942,877.00         | 15,418,011        |
| Bursary- Special Schools                  | 1,120,000.00         | 2,274,219         |
| Mocks & CAT ( see attached list)          | -                    | -                 |
| Social Security programmes (NHIF)         | 4,701,000.00         | 7,563,500         |
| Security Projects ( see attached list)    | -                    | 19,450,000        |
| Sports Projects ( see attached list)      | -                    | 8,083,647         |
| Environment Projects ( see attached list) | 2,901,752.00         | 3,377,565         |
| Emergency Projects ( see attached list)   | 392,206              | 200,000           |
| Roads Projects                            | -                    | -                 |
| <b>TOTAL</b>                              | <b>35,326,835.00</b> | <b>90,427,012</b> |



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

*Notes To the Financial Statements (Continued)*

9.Acquisition Of Assets

| Non Financial Assets                                         | 2022-2023           | 2021-2022         |
|--------------------------------------------------------------|---------------------|-------------------|
|                                                              | Kshs                | Kshs              |
| Purchase of Buildings                                        | -                   | -                 |
| Construction of Buildings                                    | -                   | 26,000,000.00     |
| Refurbishment of Buildings                                   | -                   | -                 |
| Purchase of Vehicles Vehicles and Other Transport Equipment  | -                   | -                 |
| Purchase of Household Furniture and Institutional Equipment  |                     |                   |
| Purchase of office furniture and and General Equipment       | 1,200,000.00        | -                 |
| Purchase of ICT Equipment, Software and Other ICT Assets     | -                   | -                 |
| Purchase of Specialized Plant, Equipment and Machinery       | -                   | -                 |
| Rehabilitation and Renovation of Plant, Machinery and Equip. | -                   | -                 |
| Acquisition of Land                                          | -                   | -                 |
| Acquisition of Intangible Assets                             |                     |                   |
| <b>TOTAL</b>                                                 | <b>1,200,000.00</b> | <b>26,000,000</b> |

10.Other Payments

|                |                     |          |
|----------------|---------------------|----------|
| Strategic Plan | 3,500,000.00        | -        |
| COC expenses   | 1,500,000           | -        |
|                |                     | -        |
| <b>TOTAL</b>   | <b>4,900,000.00</b> | <b>-</b> |

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

11. Cash Book Bank Balance

| Name of Bank, Account No. & currency                                  | 2022-2023            | 2021-2022                                  |
|-----------------------------------------------------------------------|----------------------|--------------------------------------------|
|                                                                       | Kshs (30/6/2023)     | Kshs (30/6/2022)                           |
| Family Bank, A/C no. 102000030692, Branch . (main account)            | 10,056,284           | 9,242,204                                  |
| Family Bank, A/C no. 101000070260 Branch: Wangige . (deposit account) | -                    | -                                          |
|                                                                       | -                    | -                                          |
| <b>TOTAL</b>                                                          | <b>10,056,283.73</b> | <b>9,242,204</b>                           |
|                                                                       |                      |                                            |
| <b>12B: CASH IN HAND)</b>                                             |                      |                                            |
|                                                                       |                      |                                            |
|                                                                       | 2022-2023            | 2021-2022                                  |
|                                                                       | Kshs (30/6/2023)     | Kshs (30/6/2022)                           |
| Location 1                                                            | -                    | -                                          |
| Location 2                                                            | -                    | -                                          |
| Location 3                                                            | -                    | -                                          |
| Other receipts (specify)                                              | -                    | -                                          |
| <b>TOTAL</b>                                                          | <b>-</b>             | <b>-</b>                                   |
|                                                                       |                      |                                            |
|                                                                       |                      | [Provide cash count certificates for each] |

12. Outstanding Imprests

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



**Kabete Constituency**

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

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

*Notes to the Financial Statement Continued*

13. Retention and Gratuity

| 14 A. Retention                                        | 2022/23 | 2021/22 |
|--------------------------------------------------------|---------|---------|
|                                                        | KShs    | KShs    |
| Retention as at 1 <sup>st</sup> July (A)               | -       | -       |
| Retention held during the year (B)                     | -       | -       |
| Retention paid during the Year (C)                     | -       | -       |
| Closing Retention as at 30 <sup>th</sup> June D= A+B-C | -       | -       |

| 14 B Gratuity                                         | 2022-2023  | 2021-2022 |
|-------------------------------------------------------|------------|-----------|
|                                                       | KShs       | KShs      |
| Gratuity as at 1 <sup>st</sup> July (A)               | -          | -         |
| Gratuity held during the year (B)                     | 314,650.00 | -         |
| Gratuity paid during the Year (C)                     | -          | -         |
| Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C | 314,650.00 | -         |

14. Fund Balance B/F

|               | 2022-2023       | 2021-2022       |
|---------------|-----------------|-----------------|
|               | Kshs (1/7/2022) | Kshs (1/7/2021) |
| Bank accounts | 9,242,204.00    | 67,174,050      |
| Cash in hand  | -               | -               |
| Imprest       | -               | -               |
| TOTAL         | 9,242,204.00    | 67,174,050      |

*[Provide short appropriate explanations as necessary]*

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

15. Prior Year Adjustments

| Description of the error | Balance b/f                                      | Adjustments | Adjusted                  |
|--------------------------|--------------------------------------------------|-------------|---------------------------|
|                          | FY 2021/2022 as per Audited Financial statements |             | Balance** b/ FY 2020/2021 |
|                          | Kshs                                             | Kshs        | Kshs                      |
| Bank accounts balances   | -                                                |             |                           |
| Cash in hand             | -                                                | -           |                           |
| Accounts Payable         | -                                                | -           |                           |
| Receivables              | -                                                | -           |                           |
| Others (specify)         | -                                                | -           |                           |
| Total                    | -                                                | -           | -                         |

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

16. Changes In Accounts Receivable – Outstanding Imprests

|                                                    | 2022/23 | 2021/22 |
|----------------------------------------------------|---------|---------|
|                                                    | KShs    | KShs    |
| Outstanding Imprest as at 1 <sup>st</sup> July (A) | -       | -       |
| Imprest issued during the year (B)                 | -       | -       |
| Imprest surrendered during the Year (C)            | -       | -       |
| closing accounts in account receivables D= A+B-C   | -       | -       |
| Net changes in accounts Receivables D - A          | -       | -       |

17. Changes In Accounts Payable – Deposits and Retentions

|                                                 | 2022-2023  | 2021-2022 |
|-------------------------------------------------|------------|-----------|
|                                                 | Kshs       | Kshs      |
| Deposits and Retention as a t 1st July 2019 (A) | -          | -         |
| Deposits and Retention held during the year (B) | 314,650.00 | -         |
| Deposits and Retention paid during the year ©   | -          | -         |
| Closing accounts payable at 30th June (D=A+B-C) | 314,650.00 | -         |
| Net changes in accounts payables D-A            | 314,650.00 | -         |



**Kabete 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)*

18. Other Important Disclosures

a. : Pending Accounts Payable (See Annex 1)

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

b. : Pending Staff Payables (See Annex 2)

|                           | 2022/23 | 2021/22 |
|---------------------------|---------|---------|
|                           | Kshs    | Kshs    |
| NGCDFC Staff              | -       | -       |
| Others ( <i>specify</i> ) | -       | -       |
| Total                     | -       | -       |

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

c. : Unutilized Fund (See Annex 3)

|                                                                     | 2022-2023     | 2021-2022    |
|---------------------------------------------------------------------|---------------|--------------|
|                                                                     | Kshs          | Kshs         |
| Compensation of employees                                           | 1,689,677.50  | 2,261,991.50 |
| Use of goods and services                                           | 4,921,426.23  | 862,624.50   |
| Amounts due to other Government entities (see attached list)        | 21,097,665.00 | 392,210.00   |
| Amounts due to other grants and other transfers (see attached list) | 29,789,592.00 | 5,725,378.00 |
| Acquisition of assets                                               | -             |              |
| Oversight Committee Expenses                                        | -             |              |
| Others -gratuity                                                    |               | -            |
| Funds pending approval                                              | 9,330,876.00  |              |
| Total                                                               | 66,829,236.73 | 9,242,204.00 |



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

---

18.4: PMC account balances (See Annex 5)

|                                          | 2022-2023     | 2021-2022  |
|------------------------------------------|---------------|------------|
|                                          | Kshs          | Kshs       |
| PMC account balances (see attached list) | 10,033,913.27 | 10,929,906 |

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                   |                 |                 |                     |                     |          |



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

Annex 2 - Analysis of Pending Staff Payables

| Name of Staff       | Designation          | Date employed     | Outstanding Balance        | Comments |
|---------------------|----------------------|-------------------|----------------------------|----------|
|                     |                      |                   | 30 <sup>th</sup> June 2023 |          |
| NG-CDFC Staff       |                      |                   |                            |          |
| 1.LUCY NYAMBURA     | Office secretary     | 1st december 2022 | 75950                      |          |
| 2.SAMUEL NJOGU      | Office security      | 1st december 2022 | 32550                      |          |
| 3.JACQUELYN NJUGUNA | Office administrator | 1st december 2022 | 86800                      |          |
| 4. JEMMIMAH MUTHAMI | Office Assistant     | 1st december 2022 | 65100                      |          |
| 5.PAUL NAITOI       | Office Assistant     | 1st december 2022 | 54250                      |          |
|                     | Sub-Total            |                   | 314650                     |          |
|                     | Grand Total          |                   | 314650                     |          |

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

Annex 3 – Unutilized Fund

| Name                                     | Brief Transaction Description | Outstanding Balance | Outstanding Balance | Comments |
|------------------------------------------|-------------------------------|---------------------|---------------------|----------|
|                                          |                               | 2022-2023           | 2021-2022           |          |
|                                          |                               |                     |                     |          |
| Compensation of employees                |                               | 1,689,678           | 2,261,991           |          |
| Use of goods & services                  |                               | 4,921,426           | 862,625             |          |
| Amounts due to other Government entities |                               |                     |                     |          |
| Ngure Primary School                     |                               | 3,000,000           |                     |          |
| Ndurarua Primary                         |                               | 3,000,000           |                     |          |
| Rukubi Primary                           |                               | 597,661             |                     |          |
| Uthiru Primary                           |                               | 3,000,000           |                     |          |
| Kanyariri Primary                        |                               | 500,000             |                     |          |
| Gataara Primary                          |                               | 500,000             |                     |          |
| Rungiri Primary                          |                               | 500,000             |                     |          |
| Kanjeru Primary                          |                               | 500,000             |                     |          |
| Kamuguga Primary                         |                               | 500,000             |                     |          |
| Muguga Primary                           |                               | 500,000             |                     |          |
| Kahuho Primary                           |                               | 500,000             |                     |          |
| St Marys Kaimba Primary                  |                               | 3,000,000           |                     |          |
| Karura ka nyungu primary                 |                               | -                   |                     |          |
| Kibiku primary                           |                               | -                   |                     |          |
| Mahiaini Primary                         |                               | -                   |                     |          |
| Ndongoro Primary                         |                               | 3,000,000           |                     |          |
| Kingecero primary                        |                               | -                   |                     |          |
| Nyathuna Primary                         |                               | -                   |                     |          |
| Wangige Primary School                   |                               | 500,000             |                     |          |
| Nyathuna Primary                         |                               | 500,000             |                     |          |



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

|                                                 |           |            |           |  |
|-------------------------------------------------|-----------|------------|-----------|--|
| Kirangari Primary                               |           | 500,000    |           |  |
| Kibichiku Primary School                        |           | 500,000    |           |  |
| Gataara Primary                                 |           | -          |           |  |
| Kirangari Primary                               |           | -          |           |  |
| Muguga Primary                                  |           | -          |           |  |
| Uthiru Primary                                  |           | -          |           |  |
|                                                 |           | 21,097,661 |           |  |
| Secondary Projects                              |           |            |           |  |
| Wangige Secondary sch                           |           | 4          | 392,210   |  |
|                                                 |           |            |           |  |
| Security Projects                               |           |            |           |  |
| <b>Kamuguga Police station</b>                  |           | 8,000,000  |           |  |
|                                                 |           |            |           |  |
| Sports                                          |           | 1,620,876  |           |  |
|                                                 |           |            |           |  |
| Emergency                                       |           | 7,636,190  |           |  |
|                                                 |           |            |           |  |
|                                                 | Sub-Total | 29,097,665 |           |  |
| Amounts due to other grants and other transfers |           |            |           |  |
| Bursary Tertiary                                |           | 548,000    |           |  |
| Bursary Secondary                               |           | 1,635,000  |           |  |
| Social Security                                 |           | 10,131,501 | 5,725,378 |  |
| Bursary Special                                 |           | 218,025    |           |  |
|                                                 | Sub-Total | 12,532,526 | 5,725,378 |  |
| Acquisition of assets                           |           |            |           |  |
|                                                 |           |            |           |  |
| Oversight Committee Expenses(itemize)           |           | -          | -         |  |

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

|                           |                        |            |           |  |
|---------------------------|------------------------|------------|-----------|--|
|                           |                        |            |           |  |
|                           |                        |            |           |  |
| Others ( <i>specify</i> ) |                        | -          | -         |  |
|                           |                        |            |           |  |
|                           |                        |            |           |  |
|                           |                        |            |           |  |
|                           |                        |            |           |  |
|                           |                        |            |           |  |
|                           | Sub-Total              | -          |           |  |
|                           | Funds pending approval | 9,330,876  | -         |  |
|                           | Grand Total            | 66,829,237 | 9,242,204 |  |



Annex 4 – Summary of Fixed Asset Register

| Asset class                                  | Historical Cost b/f  | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost      |
|----------------------------------------------|----------------------|----------------------------------|----------------------------------|----------------------|
|                                              | (Kshs)               |                                  |                                  | (Kshs)               |
|                                              | 2021-2022            |                                  |                                  | 2022-2023            |
| Land                                         |                      |                                  |                                  | -                    |
| Buildings and structures                     | 28,000,000.00        |                                  |                                  | 28,000,000.00        |
| Transport equipment                          |                      |                                  |                                  | -                    |
| Office equipment, furniture and fittings     |                      | 1,200,000.00                     |                                  | 1,200,000.00         |
| ICT Equipment, Software and Other ICT Assets |                      |                                  |                                  | -                    |
| Other Machinery and Equipment                |                      |                                  |                                  | -                    |
| Heritage and cultural assets                 |                      |                                  |                                  | -                    |
| Intangible assets                            |                      |                                  |                                  | -                    |
| <b>Total</b>                                 | <b>28,000,000.00</b> | <b>1,200,000.00</b>              | <b>-</b>                         | <b>29,200,000.00</b> |

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

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

|                                 |             |              |            |              |
|---------------------------------|-------------|--------------|------------|--------------|
| Environment project             | Family bank | 102000030878 | 53,926.00  | 395,122.00   |
| Nyathuna primary school         | Family bank | 102000031941 | -          | 14,304.35    |
| ACK Nyathuna Secondary school   | Family bank | 102000034506 | -          | 200.00       |
| Cura primary school             | Family bank | 101000001743 | -          | 100.00       |
| Gathiga primary school          | Family bank | 102000032420 | -          | -            |
| Kahuho primary school           | Family bank | 102000030791 | -          | 17,621.00    |
| Kamuguga primary school         | Family bank | 102000032419 | -          | 10,782.00    |
| Kanjeru primary school** Girls  | Family bank | 101000000617 | -          | 332.00       |
| Karura ka Nyungu primary school | Family bank | 102000030793 | -          | 79.85        |
| Kibiku primary school           | Family bank | 102000031940 | -          | 7,617.00     |
| Kingeero primary school         | Family bank | 102000031230 | -          | 42,476.00    |
| Kirangari high school           | Family bank | 102000001024 | 55.00      | 55.00        |
| Muguga Primary School           | Family bank | 102000031232 | -          | 17,714.75    |
| Rukubi Primary School           | Family bank | 102000032417 | -          | 1,453,842.05 |
| Rungiri High School             | Family bank | 101000000597 | -          | 2,360.00     |
| St Kelvin Secondary School      | Family bank | 101000000602 | -          | 332.00       |
| Ndurarua Primary School         | Family bank | 102000030792 | -          | 201,628.00   |
| Youth and Sports                | Family bank | 102000030879 | 796,893.00 | 672,892.00   |
| Wangige Primary School          | Family bank | 102000031231 | 267,523.95 | 263,923.95   |
| Ngure Primary School            | Family bank | 102000031234 | 169,215.00 | 50,836.00    |
| Uthiru Primary School           | Family bank | 102000031227 | 148,905.92 | 14.92        |
| Kibichiku Primary School        | Family bank | 102000030789 | 253,502.37 | 2,448.37     |
| Ngubi Valley Crest Road         | Family bank | 102000034476 | 286.00     | 286.00       |
| Gitaru Quarry Road              | Family bank | 102000034478 | 286.00     | 286.00       |
| Kibiku Secondary school         | Family bank | 102000034510 | 111,894.00 | 151.00       |
| Kibichiku Secondary School      | Family bank | 102000034483 | 130,477.00 | 477.00       |
| St Marys Kaimba Primary School  | Family bank | 101000000605 | 412,882.00 | 112,348.00   |
| Kanjeru Gichagi Road            | Family bank | 101000002175 | 43,803.00  | 112.00       |
| Wangige Secondary School        | Family bank | 101000002328 | 161,489.00 | 1,531,640.00 |
| Kanjeru Girls High School       | Family bank | 102000000617 | 932.00     | 332.00       |



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

|                               |             |              |               |               |
|-------------------------------|-------------|--------------|---------------|---------------|
| Cura Secondary School         | Family bank | 102000034484 | 41,708.00     | 108.00        |
| ACK Gikuni Secondary school   | Family bank | 102000030790 | 228,591.27    | 9,016.27      |
| Kingeero Police Division      | Family bank | 102000033294 | 348.00        | 348.00        |
| Mary Leakey Girls High School | Family bank | 102000032478 | 182.00        | 182.00        |
| Uthiru Day Secondary School   | Family bank | 102000032954 | 57,060.00     | 574,362.41    |
| Kabete High School            | Family bank | 102000030882 | 28,298.15     | 24,098.15     |
| NGCDF Office                  | Family bank | 102000031522 | 12,247.08     | 43,258.00     |
| Kanyariri Secondary School    | Family bank | 102000030881 | 160,748.30    | 16.30         |
| Gataara Primary School        | Family bank | 102000031228 | 6,532,697.50  | 1,409,237.50  |
| Muguga Model Primary School   | Family bank | 102000031229 | 320,892.50    | 36,578.50     |
| DCC Office                    | Family bank | 102000001733 | 995,063.18    | 405.18        |
| Strategic Plan                | Family bank | 102000031523 | -             | 1,735,390.79  |
| Mahia ini Primary School      | Family bank | 102000031233 | -             | 238.93        |
| COC                           | Family bank | 101000005676 |               | 1,400,000.00  |
| Public Address                | Family bank | 101000005298 | -             | 360.00        |
|                               |             |              | 10,929,906.22 | 10,033,913.27 |

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.

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

| Reference No. on the external audit Report | Issue / Observations from Auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Management comments                                                                                     | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------|
|                                            | <p>1. Kabete NGCDF engaged Marc Construction Ltd for the Construction of Kabete Phase 1 NGCDF Offices for a contract sum Kshs. 28,676,480. Tender No. NGCDF/KBT/T/OFBLK/01/2022. However, upon enquiry the land ownership revealed that the structure occupies land of unknown measurement given to it by Kiambu County Government. The Fund does not possess an allotment letter or title deed of the land in its name as proof of ownership. No valuation report was provided for Audit verification.</p> | <p>Allotment documents were availed</p>                                                                 | <p>Resolved</p>                      |                                                                     |
|                                            | <p>Scope of work provided included construction of 30 classrooms. However, site visit revealed the project had visible cracks on the floor and external walls appeared rough with only one coat of paint. No cornice on ceiling surfaces was done leading to an amount unaccounted for.</p>                                                                                                                                                                                                                 | <p>The contractors requested to make good the works especially the cracks before retention is paid.</p> | <p>Resolved</p>                      |                                                                     |



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

| Reference No. on the external audit Report | Issue / Observations from Auditor                                                                                                                                                                                                                                                             | Management comments                                                            | Status:<br>(Resolved / Not Resolved) | Timeframe:<br>(Put a date when you expect the issue to be resolved) |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------|
|                                            |                                                                                                                                                                                                                                                                                               |                                                                                |                                      |                                                                     |
|                                            | <p>The project status was complete and had been put to use by the student beneficiaries. The classrooms were built as an extension to an existing one with a shared wall. No architectural drawings presented for review. The walls, floor, paving slab and pillars had developed cracks.</p> | <p>The Public Works department confirms that 3 coats were applied</p>          | <p>Resolved</p>                      |                                                                     |
|                                            | <p>The Project was completed and put to use. However, cracks and depressions were visible in the classrooms, corridors, edges and staircases. Cracks were also noticeable on the ceiling finishes with some areas appearing to have shoddy paint works.</p>                                   | <p>The cornice was never paid for according to the Public Works Department</p> | <p>Resolved</p>                      |                                                                     |

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

FUND ACCOUNTS MANAGER

Y - N.G.C.D.F

13 SEP 2023 Isabella N Mwangi.....  
Name

Tel: 0722 297 710 Fund Account Manager.

P.O. Box 515-00614, WANGIGI