

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT**

DATE: 08 AUG 2024

TUE 6/8/2024

TABLED  
BY:

Deputy Majority  
Whip

**OF**

CLERK-AT  
THE TABLE:

Benson

Inzoti

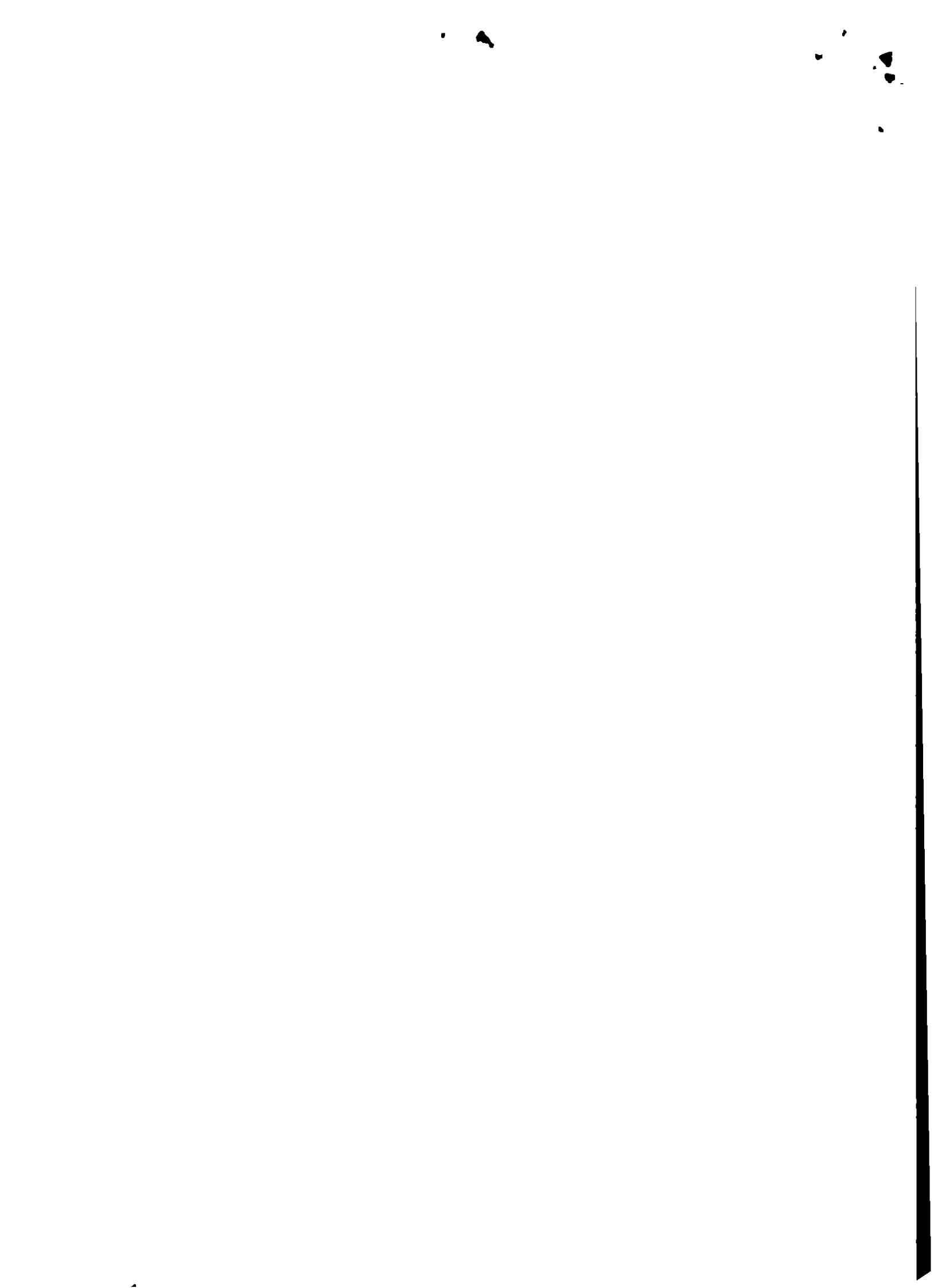
PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

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

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





OFFICE OF THE AUDITOR GENERAL  
P.O. BOX 1234 MOMBASA  
521/KRW  
05 APR 2024  
**RECEIVED**  
KILIFI REGIONAL OFFICE



---

GANZE CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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)

*GANZE Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---



**GANZE Constituency**

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

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

---

Table of Content	Page
1. Acronyms and Abbreviations .....	ii
2. Key Constituency Information and Management.....	iii
3. NG-CDFC Chairman’s Report .....	vii
4. Statement of Performance against Predetermined Objectives for FY2022/23.....	x
5. Governance Statement.....	xii
6. Environmental and Sustainability Reporting .....	xvii
7. Statement of Management Responsibilities.....	xx
8. Report of the Independent Auditors on the NGCDF- Ganze Constituency .....	xxii
9. Statement of Receipts and Payments for the Year Ended 30th June 2023.....	1
10. Statement of Assets and Liabilities As At 30th June, 2023.....	2
11. Statement Of Cash Flows for The Year Ended 30th June 2023 .....	3
12. Summary Statement of Appropriation for the Year Ended 30 <sup>th</sup> June 2023.....	1
13. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2023 .....	4
14. Significant Accounting Policies.....	11
15. Notes to the Financial Statements .....	17
16. Annexes .....	28

**1. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

NGCDFB- National Government Constituency Development Fund Board

NGCDFC- National Government Constituency Development Fund Committee

PFM-Public Finance Management

IPSAS- International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

ARMC~ Audit and Risk Management Committee

OSHA~ Occupational Safety and Health Act

CDF- Constituency Development Fund



## **2. 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 Ganze 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	Ronald Wanje Jembe
2.	Sub-County Accountant	Kazungu Lewa
3.	Chairman NGCDFC	Robert Galo Chengo
4.	Member NGCDFC	Winnie Nguzo

### **(c) Fiduciary Oversight Arrangements**

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

F.O. Box 489-80108, Kilifi, Kenya  
GANZE NG-CDF Office Building  
Kilifi-Bamba Road  
Kilifi, KENYA

### **(e) Ganze Constituency NGCDF Contacts**

Telephone: (+254) 0723924494  
E-mail: [cdfganze@ngcdf.go.ke](mailto:cdfganze@ngcdf.go.ke)

**(f) Ganze Constituency NGCDF Bankers**

Equity Bank (K) Limited,  
NGCDF Ganze Account No. 1060298195611  
Kilifi Branch; Kibaoni-Hospital street  
P.o Box 381-80108  
Kilifi, Kenya  
Tel: 0736306810

**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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



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

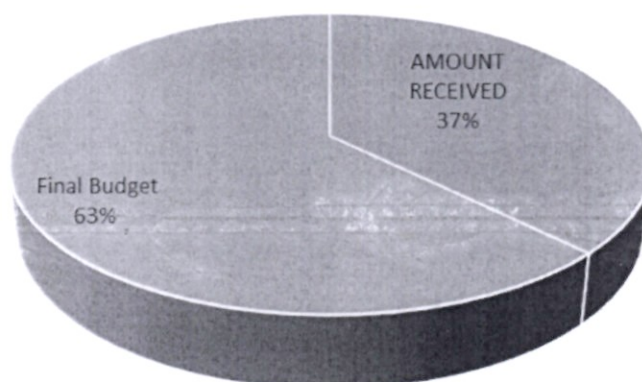


ROBERT GALO CHENGO

It is my pleasure to present this year's financial report to you. Our agenda is enclaved in the slogan 'Maendeleo kwa wote' as we purpose to deliver improved livelihoods through promoting quality education at Primary, Secondary schools and Tertiary institutions. There has also been tremendous increase in bursary allocation, ensuring more students are in schools. The excellent performance can be attributed to tremendous support from the NG CDF Board., Member of Parliament and all stakeholders.

Ganze Constituency is one of the seven Constituencies in Kilifi County in Coast Region. During the financial year 2022/2023, we received Kshs. 97,000,000. Our utilization of funds for the financial year stands at 67% of the total budget of Kshs. 162,505,034. The low absorption of funds was due to late disbursement of funds by the NG-CDF Board. The NG-CDF Board should provide funds in time for 100% utilization to be achieved.

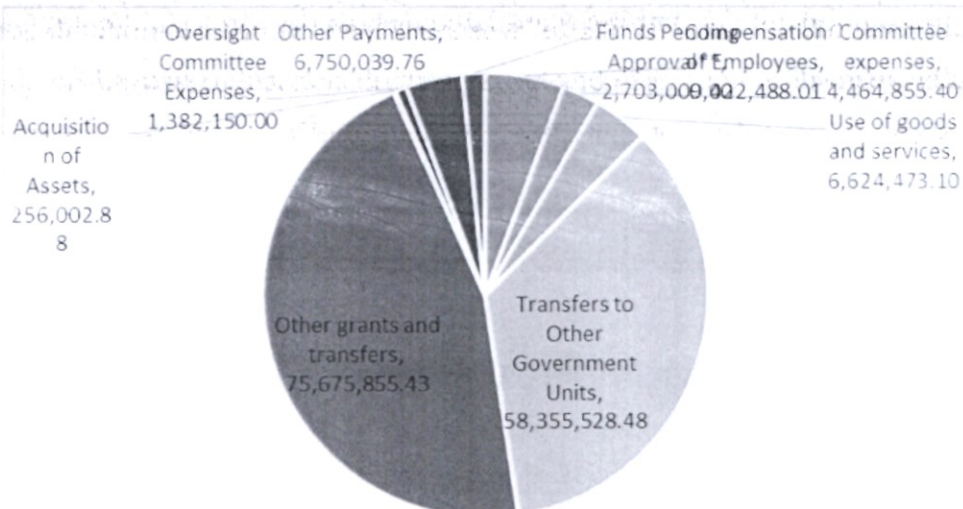
Final Budget against Disbursement



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

The project allocation percentage per sector is as indicated below:

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
<b>PAYMENTS</b>							
Compensation of Employees	4,693,699	4,728,789	0	9,422,488	3,416,246	6,006,242	36.3%
Committee expenses	1,128,000	3,336,855	0	4,464,855	1,770,495	2,694,361	39.7%
Use of goods and services	6,617,654	6,819	0	6,624,473	4,751,469	1,873,004	71.7%
Transfers to Other Government Units	45,661,627	2,693,901	10,000,000	58,355,528	6,166,029	52,189,499	10.6%
Other grants and transfers	75,231,901	443,954	0	75,675,855	46,903,100	28,772,755	62.0%
Acquisition of Assets	0	256,003	0	256,003	255,353	650	99.7%
Oversight Committee Expenses	1,382,150	0	0	1,382,150	1,382,150	0	100.0%
Other Payments	3,500,000	3,250,940	0	6,750,940	0	6,750,940	0.0%
Funds Pending Approval*		303,000	2,400,000	2,703,000		2,703,000	0.0%
<b>TOTAL</b>	<b>138,215,032</b>	<b>15,019,362</b>	<b>12,400,000</b>	<b>165,634,393</b>	<b>64,644,843</b>	<b>100,989,551</b>	<b>39.0%</b>





**Achievements**

There have been several success stories in this financial year ending June 2023. Success is attributed to the harmonious working relationship among the NGCDFC members, staff and technical support from the government officials as well. The synergy has been achieved through continuous training and engagement to promote team work and quality project.

During the financial year 2022/2023, the Constituency realized tremendous improvement in infrastructure across the two key sectors namely; Education and Security sector

**Challenges**

Lack of enough technical personnel and delay in disbursements of funds from the NG-CDF Board has affected timely implementation of projects and absorption of funds allocated during the financial year. In addition insufficient funds for monitoring and evaluation and capacity building of various operatives has impacted negatively on funds administration.

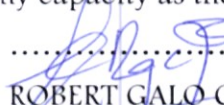
There has been emerging issues and challenges influencing the implementation of NGCDF projects all over the Constituency. These include;

1. Poor road network within the Constituency was a big challenge to the contractors when it came to ferrying building materials to the various sites.
2. Other issues affecting the project implementation process is the slow pace of the Project Management Committees in filing both financial and narrative reports relating to their NGCDF funded projects. This fact emanates mostly from low literacy levels amongst the PMCs.
3. Water availability was also a challenge to both the contractors as well as the Community.
4. Lack of Sub-County works officer from the National Government has also posed a big challenge in project implementation in the Constituency.
5. The vastness of Ganze constituency has also negatively affected the operations of the NG-CDF
6. Poverty ratio very high

**Way forward**

In order to improve on timely completion of projects, NG-CDF Board should disburse funds on timely basis and allocation for monitoring and evaluation vote should be increased for effective and efficient management of projects. Lastly, projects should be funded in full to avoid delays in completion.

I would like to extend my gratitude to GANZE Constituents for giving me the opportunity to serve in my capacity as the Chairperson NGCDFC.

.....  
  
ROBERT GALO CHENGO  
CHAIRMAN NGCDF COMMITTEE



**4. Statement of Performance against Predetermined Objectives for FY2022/23**

**Introduction**

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

The key development objectives of *Ganze Constituency plan* are to:

To have all children of school going age attending school

To have a reliable and sustainable security

To ensure environment is conserved in the Constituency

To nurture talents of the constituents

To mitigate risk occurrence in the constituency

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to	- number of usable physical infrastructure build	In FY 22/23 - Bursary beneficiaries at all levels were as per the attached

**GANZE Constituency**

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

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

		secondary schools and tertiary institutions	in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	schedules
Security	To have a reliable and sustainable security	Improvement of working stations for the administrative officers in the constituency	Number of improved police stations and Chiefs' offices	In FY 2022-2023 No project was done
Environment	To ensure environment is conserved in the Constituency	Improve sanitation in learning institutions in the entire constituency	Number of toilets in the learning institutions	In FY 2022-2023 there was no activity
Sports	To nurture talents of the constituents	Increase the number of talented youth in the constituency	Number of youth benefiting from the sports fund	In FY 2022-2023 no activities conducted
Emergency	To mitigate risk occurrence in the constituency	Improvement of structures in learning institutions	Number of schools renovated in the constituency	In FY 2022-2023 no activities conducted



## 5. Governance Statement

### **Appointment and removal of Constituency Committee members:**

The Current NG- CDF Ganze Constituency Committee was appointed vide The Kenya Gazette Notice No. 14709, Vol. CXXIV—No. 254 NAIROBI, 29th November, 2022. The process is initiated through NG- CDF Act, 2015 as amended in 2022.

Regulation 5(2) creates a vacancy in the Office of Constituencies Committees, in the manner provided. Section 48(8) of the Act is succinct on the expiry of the term of the Committee. As per the provision of Section 43(3) of the NG-CDF Act, 2015 as amended in 2022, the seven persons referred to in Sub-section (2):

- (b) two men each nominated in accordance with sub section 3 one of whom shall be be a youth at the date of appointment,
- (c) two women each nominated in accordance with sub section 3 one of whom shall be be a youth at the date of appointment,
- (d) one persons with disability nominated by registered group representing persons with disability in the constituency in accordance with sub section 3
- (e) two persons nomiaated by constituency office established under regulation made pursuant to the parliament service Act
- (f) the officer of the body seconded to the constituency committee by the body who shall be an ex officio member without a vote
- (g) One member co-opted by the body in accordance with regulation made by the board,

Shall be selected in the manner prescribed in the Regulations. Regulation 5 and 6 of the NG- CDF Act, 2025 as amended in 2022, provide for the eligibility criteria and procedures for nomination.

Section 43 (13) which state “a member of the constituency committee may be removed from office on any one or more” provides the manner in which a member of the Constituency Committee may be removed from office, Section 44 of the Act elaborates the manner a Constituency Committee shall be dissolved, Regulation 10 lists the procedure for removal of a Constituency Committee Member and Regulation 5 (2) describes circumstance in which a vacancy may occur in the constituency committee.

### **Requirement for appointment of NG\_CDFC**

Regulation 6(1) requires that for one person to serve as a member of the NG-CDF, he or she must be:

- a) a citizen of Kenya



- b) Ordinary resident and a voter of the constituency
- c) Able to read, write and communicate in Kiswahili and English
- d) Meet the requirement of Chapter six of the Constitution of Kenya
- e) Is able to participate in activities of a constituency committee

**Procedure of recruitment**

As per provisions of Section 43(3) of the NG-CDF Act 2015, the seven persons referred to in sub-section (2) (b), (c), (d) and (e) shall be selected in the manner prescribed in the Regulations.

In this regard, Regulations 5 and 6 of the NG-CDF Regulations 2016 provide for the eligibility criteria and procedures for nomination of five members of the NG-CDF Committee as outlined in Section 43 (2) paragraphs (b), (c), and (d) of the principal Act through a Selection Panel (Regulation 5(4) composed of:

- i) One person nominated by the National Government Official incharge of sub-county, or a designated representative who shall chair the Panel;
- ii) The Officer of the Board seconded to the Constituency who shall be the secretary to the Selection Panel; and
- iii) Two persons, one of either gender, nominated by the Constituency Office (established under regulation made pursuant to the Parliamentary Service Act)

**Functions of NG\_CDFC**

The functions of a Constituency Committee shall be to - Functions of Constituency

- i. Build the capacity of project management committees and Committee, sensitize the Community on the operations of the Fund;
- ii. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- iii. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- iv. 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;

- v. Consult with relevant government departments to ensure that cost estimates for projects are realistic
- vi. 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,
- vii. 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;
- viii. Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- ix. Ensure that all projects receive adequate funding and are completed within three years;
- x. 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;
- xi. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- xii. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;

#### **Removal of NG-CDFC**

A member of the Constituency Committee may be removed from office on any one or more of the following grounds— (a) lack of integrity; (b) gross misconduct; (c) embezzlement of public funds; (d) bringing the committee into disrepute through unbecoming personal public conduct; (e) promoting unethical practises; (f) causing disharmony within the committee; (g) physical or mental infirmity.

(14) A decision to remove a member under subsection (13) shall be made through a resolution of at



least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made

### **Convening of Constituency Meetings**

Section 43 (6) state that, "The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency." In the FY 2022/2023 the NGCDF Ganze had 12 meetings, and 6 meetings of sub committee

After appointment of members of the NG- CDF Committee through publication in the Kenya Gazette, and within 120 days of the commencement of the thirteenth parliament, the Deputy County Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG- CDF Committee, during which the members will elect the Chairperson and the Secretary. The Officer of the Board will then submit to the Board the names of the elected Chairperson and Secretary, attaching a certified copy of form four certificate and the academic certificates for the highest level of education attained and the minutes of the NG- CDF Committee that approved the appointment. As the management of NG- CDF Ganze West Constituency we complied with the Act and its regulations.

### **Tenure of the Constituency Committee**

As per the provision of Section 43 (8) and (9) of the NG- CDF Act, the tenure of the members of NG- CDF Committee shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act and regulations, while the Fund Account Manager remain the custodian of all the records and equipment of the constituency. As per Regulation 24 of the Act, once the new committee members have been appointed, the Fund Account Manager in liaison with the Deputy County Commissioner, shall facilitate smooth handover between the outgoing and the newly gazetted NG- CDF Committee members. To facilitate this, the Fund Account Manager prepares a comprehensive handover report on behalf of the outgoing committee.

### **Constituency Oversight Committee**

Pursuant to Section 53 of the Act, there is established a Constituency Oversight Committee for the projects undertaken under this Act. The Constituency Oversight Committee shall be comprised of the constituency member of the National Assembly and not more than four other members,



***GANZE Constituency***

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

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

---

appointed by the Member of National Assembly for the constituency in consultation with other stakeholders. Sub-section 3 of Section 53 of the Act provides the purpose of the COC in the Constituency.

The following as list of sub committees:

1. Bursary committee

2. Monitoring and evaluation

All subcommittee were taken through induction and training

## 6. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Ganze 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 employee or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents. 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**

- By the close of financial year the cash for environment had not been disbursed.

## **3. Employee welfare**

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

Ganze 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 are 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-

GANZE NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

##### **Public Participation in Project Identification and Implementation and Monitoring**

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

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

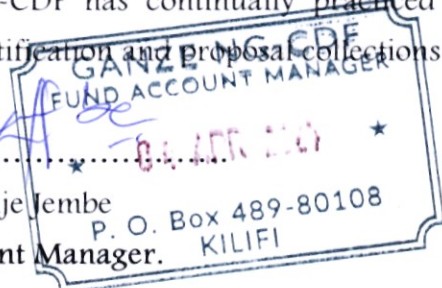
The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

##### **Public Awareness**

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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

.....  
Ronald Wanje Jembe  
Fund Account Manager. P. O. Box 489-80108  
KILIFI



## 7. 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-GANZE 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-GANZE 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- GANZE 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 GANZE 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

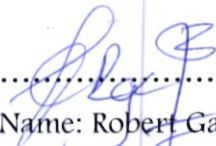


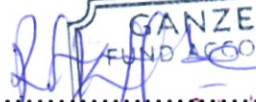
**GANZE Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**


---

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.

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

  
.....  
Name: Robert Galo Chengo  
Chairman – NGCDF Committee

  
.....  
Name: Ronald Wanje Jembe  
Fund Account Manager



**8. Report of the Independent Auditors on the NGCDF- Ganze Constituency**



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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	97,000,000	174,377,758
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
<b>TOTAL RECEIPTS</b>		<b>97,000,000</b>	<b>174,377,758</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,416,246	4,795,532
Committee expenses	5	1,770,495	4,439,886
Use of goods and services	6	5,006,822	3,149,966
Transfers to Other Government Units	7	6,166,029	187,297,562
Other grants and transfers	8	46,903,100	61,425,451
Acquisition of Assets	9	0	746,920
Oversight Committee Expenses	10	1,382,150	
Other Payments	11	0	0
<b>TOTAL PAYMENTS</b>		<b>64,644,843</b>	<b>261,855,317</b>
<b>SURPLUS/DEFICIT</b>		<b>32,355,157</b>	<b>(87,477,559)</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 4-4 2024 and

Signed by:  
  
**GANZE NG-CDF**  
**FUND ACCOUNT MANAGER**  
 P.O. Box 489-8008  
 KILIFI

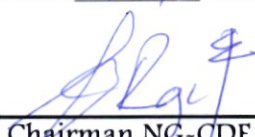
Fund Account Manager

Name: Ronald Wanje Jembe  
 ICPAK M/No:



National Sub-County  
 Accountant

Name: Kazungu Lewa

  
 Chairman NG-CDF  
 Committee

Name: Robert Galo Chengo

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

**10. Statement of Assets and Liabilities As At 30th June, 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	12A	44,264,721	11,890,002
Cash Balances (cash at hand)	12A	0	0
<b>Total Cash and Cash Equivalents</b>		<b>44,264,721</b>	<b>11,890,002</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	3,129,360	3,129,360
<b>TOTAL FINANCIAL ASSETS</b>		<b>47,394,081</b>	<b>15,019,362</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	0	0
Gratuity	14B	0	0
<b>NET FINANCIAL ASSETS</b>		<b>47,394,081</b>	<b>15,019,362</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	15,019,362	102,496,920
Prior year adjustments	16	19,562	
Surplus/Deficit for the year		32,355,157	(87,477,559)
<b>NET FINANCIAL POSITION</b>		<b>47,394,081</b>	<b>15,019,361</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

2024 and signed by:

GANZE NGCDF  
 FUND ACCOUNT MANAGER  
 P. O. BOX 1008  
 KILIMANJARO

\* Fund Account Manager

Name: Ronald Wanje Jembe

National Sub-County  
 Accountant

Name: Kazungu Lewa

Chairman NG-CDF  
 Committee

Name: Robert Galo Chengo

ICPAK M/No:



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

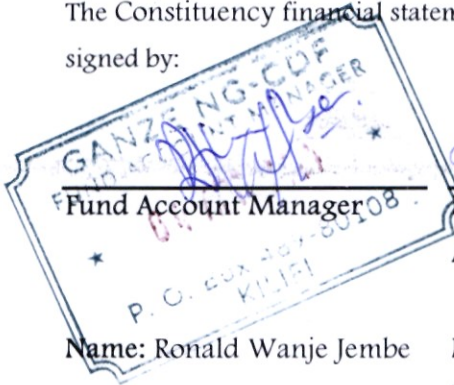
**11. Statement Of Cash Flows for The Year Ended 30th June 2023**

		2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	97,000,000	174,377,758
Other Receipts	3	0	0
<b>Total Receipts</b>		<b>97,000,000</b>	<b>174,377,758</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,416,246	4,795,532
Committee expenses	5	1,770,495	4,439,886
Use of goods and services	6	5,006,822	3,149,966
Transfers to Other Government Units	7	6,166,029	187,297,562
Other grants and transfers	8	46,903,100	61,425,451
Oversight Committee Expenses	10	1,382,150	
Other Payments	11	0	0
<b>Total Payments</b>		<b>64,389,490</b>	<b>261,108,397</b>
<b>Total Receipts Less Total Payments</b>		<b>32,610,510</b>	<b>(86,730,639)</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	17	0	0
Increase/(Decrease) in Accounts Payable	18	0	0
Prior year Adjustments	16	19,562	0
<b>Net Adjustments</b>		<b>19,562</b>	<b>0</b>
<b>Net cash flow from operating activities</b>		<b>32,630,072</b>	<b>(86,730,639)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	9	0	(746,920)
<b>Net cash flows from Investing Activities</b>		<b>0</b>	<b>(746,920)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>32,374,719</b>	<b>(87,477,559)</b>
Cash and cash equivalent at BEGINNING of the year	12	11,890,001	99,367,560
Cash and cash equivalent at END of the year		<b>44,264,721</b>	<b>11,890,001</b>

**GANZE 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 14-4 2024 and signed by:



**Fund Account Manager**

**Name: Ronald Wanje Jembe**

**National Sub-County**

**Accountant**

**Name: Kazungu Lewa**

**ICPAK M/No:**

**Chairman NG-CDF**

**Committee**

**Name: Robert Galo Chengo**



# 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 - GANZE 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 - Ganze Constituency set out on pages 1 to 42, 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 National Government Constituencies Development Fund - Ganze Constituency as at 30 June, 2023, and 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 National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Financial Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Misclassification of Acquisition of Assets**

The statement of receipts and payments and Note 9 to the financial statements reflects payments in respect of acquisition of asset amount of Kshs.255,353 for refurbishment of buildings. However, review of payment vouchers and supporting documents revealed that the payments related to domestic travel and subsistence.

In the circumstances, the accuracy and completeness of acquisition of assets amount of Kshs.255,353 could not be confirmed.

#### **2. Inaccurate Payment for Compensation of Employees**

The statement of receipts and payments and Note 4 to the financial statements reflects compensation of employees amount of Kshs.3,416,246 while the ledger reflects Kshs.3,468,896 resulting to an unexplained variance of Kshs.52,650.

In the circumstances, the accuracy and completeness of payments on compensation of employees of Kshs.3,416,246 could not be confirmed.

#### **3. Unsupported Committee Expenses**

The statement of receipts and payments and Note 5 to the financial statements reflects committee expenses amount of Kshs.1,770,495. The amount includes Kshs.1,233,134 for sitting allowances and Kshs.528,000 for other committee expenses which were not supported by imprest warrants, sub-schedules on the expenditure items in the voucher and attendance register for committee members.

In the circumstances, the accuracy and completeness committee expenses of Kshs.1,770,495 could not be confirmed.



#### **4. Unsupported Use of Goods and Services Expenses**

The statements of receipts and payments and Note 6 to the financial statements reflects use of goods and services expenses of Kshs.4,751,469. However, the payments were not supported with invitation letters of the participants to the trainings and workshops, attendance lists and work tickets. Further, included in use of goods and services are payments of Kshs.2,173,863 to the Fund Account Manager (FAM) which was not supported.

In the circumstances, the accuracy and completeness of use of goods and services amount of Kshs.4,751,469 could not be confirmed.

#### **5. Unsupported Oversight Committee Expenses**

The statement of receipts and payments and Note 10 to the financial statements reflects oversight committee expenses amount of Kshs.1,382,150. However, supporting documents including imprest warrants, sub-schedules supporting the expenditure items in the voucher, attendance register for committee members and basis for payment of sitting allowances were not provided.

In the circumstances, the accuracy and completeness oversight committee expenses amount of Kshs.1,382,150 could not be confirmed.

#### **6. Unsupported Ownership of Assets**

Annex 4 to the financial statements on summary of fixed assets registers reflects fixed assets historical cost amount of Kshs.38,375,335. Included in this balance is an amount of Kshs.9,560,000 in respect to other machinery, equipment and tractors. However, ownership documents were not provided for audit review.

Additionally, one of the tractors was indicated to have been donated to the Ministry of Agriculture but the transfer documents were not provided for audit.

Further, the fixed assets register maintained by the fund did not contain the required information such as Land registration numbers and serialization of the equipment and furniture.

In the circumstances, the accuracy and completeness of the fixed Assets amount of Kshs.38,375,335 could not be confirmed.

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

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.165,634,394 and Kshs.108,890,002 respectively, resulting to an underfunding of Kshs.56,744,392 or 34% of the budget. Similarly, the Fund spent Kshs.64,644,848 against actual receipts of Kshs.108,899,000 resulting to an under-utilization of Kshs.44,245,154 or 40% of the receipts.

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

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Matters**

The audit report for the previous year highlighted several issues in respect of the financial statements, lawfulness and effectiveness of public resources, and effectiveness of internal control and governance. Even though Management's report indicate that the issues were resolved, the evidence of resolution has not been provided as at 30 June, 2023.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Lack of Authorized Bursary Award Criteria and Policy**

The statement of receipts and payments and Note 8 to the financial statements reflects other grants and other transfers amount of Kshs.46,903,100 which includes bursary disbursements of Kshs.40,777,255. However, Management did not provide the awarding criteria for the identification of the needy students and the amount of bursary to be awarded to the needy students. This was contrary to Constituency Development Fund Board circular/Vol 1/111 dated 13 September, 2010 which requires that bursary



committee should vet, identify and categorize needy students according to an established criterion.

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

## **2. Irregular Payment of Oversight Committee Expenses**

The statement of receipts and payment and Note 10 to the financial statements reflects oversight committee expenses amount of Kshs.1,382,150. However, no evidence was provided to confirm that the constituency oversight committee was properly established. This was contrary to Regulation 34(1) of the National Government Constituencies Development Fund Regulations, 2016 which states that a Member of Parliament shall, upon appointing the constituency members of the Constituency Oversight Committee, shall forward the particulars of the appointees to the Officer of the Board seconded to the constituency for the purposes of recording the same.

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

## **3. Project Implementation Status**

The statement of budget execution by sectors and projects reflects approved projects budget of Kshs.119,013,528. However, review of the projects documents revealed that actual payments for projects implementation was Kshs.46,943,289 or 40% of the approved projects budget. In addition, six (6) projects with total disbursements of Kshs.17,392,207 were verified on 01 March, 2024, three (3) of which were complete while three (3) others were incomplete.

In the circumstances, the low percentage of project implementation is an indication that the intended benefits from the approved projects may not be realized within the desired period.

## **4. Poor Workmanship and Implementation of Security Project**

The statement of receipts and payments and Note 8 to the financial statements reflects other grants and other transfers of Kshs.46,903,100. The amount includes payments of Kshs.6,125,845 for the extension of Vitengeni Assistant County Commissioner's office while the contract sum was Kshs.6,050,000 which was awarded to a local contractor. No explanations were provided why the total payments exceeded the contracted sum by Kshs.75,845.

In addition, even though the project implementation team report and a certificate of practical completion were issued on 19 November, 2022, review of the project file, tender documents and audit verification undertaken on 01 March, 2024 revealed that the heavy duty framed aluminum sliding windows including all necessary accessories worth Kshs.308,500, light fittings weather proof bulkhead fittings complete with a glass cover metallic base, and 9W lamp worth Kshs.18,600 were not effected in the project in line with the Bills of Quantities.



Further, it was observed that the PVC half round gutter clips for rainwater harvesting worth Kshs.157,750 were fitted at an interval of 1.2 meters instead of the bill of quantities guideline of 300mm. It was also noted that two (2) doors were broken and without frames rendering them unlockable, while the 12mm thick chipboard ceiling was leaking. The contract document did not have performance security clause contrary to Section 142(1) of the Public Procurement and Asset Disposal Act, 2015 and the bill of quantity.

In the circumstances, the construction of the extension of Vitengeni Assistant County Commissioner's office may not have obtained value for money for Ganze Constituents.

## **5. Long Outstanding Imprests**

The statement of assets and liabilities and Note 13 to the financial statements reflects outstanding imprest balance of Kshs.3,129,360 issued to three (3) members of staff between the years 2009 and 2014 which have not been surrendered. This was contrary to Regulation 93(5) and (6) of the Public Finance Management (National Government) Regulations which provides that a holder of a temporary imprest shall account or surrender the imprest within seven (7) working days after returning to duty station and that in the event of the imprest holder fails to account for or surrender the imprest on the due date, the Accounting Officer shall take immediate action to recover the full amount from the salary of the defaulting officer with an interest at the prevailing Central Bank rate.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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



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

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

In preparing the financial statements, Management is responsible for assessing the Fund ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to liquidate 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 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 the Management.
- Conclude on the appropriateness of the 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

05 June, 2024

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

12. 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	138,215,032	11,890,002	12,400,000	162,505,034	108,890,002	53,615,032	67.0%
Proceeds from Sale of Assets	0	0	0	0	0	0	0.0%
Imprest		3,129,360	0	3,129,360	0	3,129,360	
Other Receipts	0	0	0	0	0	0	0.0%
<b>TOTAL RECEIPTS</b>	<b>138,215,03</b>	<b>15,019,362</b>	<b>12,400,000</b>	<b>165,634,394</b>	<b>108,890,002</b>	<b>56,744,392</b>	<b>65.7%</b>
PAYMENTS							
Compensation of	4,693,699	4,728,789		9,422,488	3,416,246	6,006,242	36.3%



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

Employees									
Committee expenses	1,128,000	3,336,855			4,464,855	1,770,495	2,694,361		39.7%
Use of goods and services	6,617,654	262,822			6,880,476	5,006,822	1,873,654		72.7%
Transfers to Other Government Units	45,661,627	2,693,901	10,000,000		58,355,528	6,166,029	52,189,499		10.6%
Other grants and transfers	75,231,901	443,954			75,675,855	46,903,100	28,772,755		62.0%
Acquisition of Assets	0	0			0	0	0		0.0%
Oversight Committee Expenses	1,382,150	0	0		1,382,150	1,382,150	0		100.0%
Other Payments	3,500,000	3,250,040			6,750,040	0	6,750,040		0.0%
AIA		303,000			303,000	0	303,000		0.0%
Funds Pending Approval**			2,400,000		2,400,000		2,400,000		0.0%
<b>TOTAL</b>	<b>138,215,03</b>	<b>15,019,362</b>	<b>12,400,000</b>		<b>165,634,393</b>	<b>64,644,843</b>	<b>100,989,551</b>		<b>39.0%</b>

*\*\*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:**

*(a) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]*

The Underutilization/under absorption experienced on the fund was due to late disbursement of funds from the NGCDF board during the financial year 2022/2023

**AIA**

The Underutilization/under absorption experienced on the fund was because the NGCDFC didn't receive approval from the NGCDF Board as required.

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

Pending approval


- a. Funds Pending Approval
- i. Petanguo Primary School project 1,200,000 for FY 2021/2022
  - ii. Kwa Dadu Primary School project 1,200,000 for FY 2021/2022
  - iii.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	100,989,551
Less undisbursed funds receivable from the Board as at 30th June 2023	53,615,032
	47,374,519
Add Accounts payable	-
Less Accounts Receivable	3,129,360
Add/Less Prior Year Adjustments	19,562
Cash and Cash Equivalents at the end of the FY 2022/2023	44,264,721

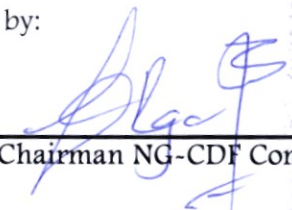
The Constituency NGCDF statements were approved by NG CDFC on 4-4- 2023 and signed by:



Fund Account Manager  
P. O. Box 489-80108  
KILIFI  
Name: Ronald Wanje Jembe

  
National Sub-County Accountant

Name: Kazungu Lewa  
ICPAK M/No:

  
Chairman NG-CDF Committee  
Name: Robert Galo Chengo



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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	4,693,699	4,728,789	0	9,422,488	3,416,246	6,006,242	36.3%
1.2 Committee allowances	1,128,000	3,243,855	0	4,371,855	1,261,457	3,110,398	28.9%
1.3 Use of goods and services	4,901,904	262,822	0	5,164,726	3,721,959	1,442,767	70.6%
<b>Total</b>	<b>10,723,603</b>	<b>8,235,466</b>	<b>0</b>	<b>18,959,069</b>	<b>8,399,662</b>	<b>10,559,407</b>	<b>43.5%</b>
<b>2.0 Monitoring and evaluation</b>						0	
2.1 Capacity building	0	-		0		0	0.0%
2.2 Committee allowances	0	93,000		93,000	93,000	0	100.0%
2.3 Use of goods and services	1,715,750	-		1,715,750	1,284,863	430,887	74.9%
<b>Total</b>	<b>1,715,750</b>	<b>93,000</b>	<b>0</b>	<b>1,808,750</b>	<b>1,377,863</b>	<b>430,887</b>	<b>76.2%</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools				0		0	0.0%

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

3.2 Secondary schools				0		0	0.0%
3.3 Tertiary institutions				0		0	0.0%
3.4 Security projects	7,636,190			7,636,190	0	7,636,190	0.0%
3.5 Unutilised				0		0	0.0%
<b>Total</b>	<b>7,636,190</b>		<b>0</b>	<b>7,636,190</b>	<b>0</b>	<b>7,636,190</b>	<b>0.0%</b>
<b>4.0 Bursary and Social Security</b>				0			
4.1 Secondary Schools	31,000,000	7,255		31,007,255	31,007,255	0	100.0%
4.2 Tertiary Institutions	14,693,111	136,255		14,829,366	9,770,000	5,059,366	65.9%
4.3 Social Security	1,374,000			1,374,000		1,374,000	0.0%
4.4 Special Needs				0	0		0.0%
<b>Total</b>	<b>47,067,111</b>	<b>143,510</b>	<b>0</b>	<b>47,210,621</b>	<b>40,777,255</b>	<b>6,433,366</b>	<b>86.4%</b>
<b>5.0 Sports</b>							
DIDA SPORTS GROUND	527,650			527,650		527,650	0.0%
NDUGU NI JEMBE GROUND	527,650			527,650		527,650	0.0%
SPORTS ACTIVITIES	1,709,000	444		1,709,444		1,709,444	0.0%
<b>Total</b>	<b>2,764,300</b>	<b>444</b>	<b>0</b>	<b>2,764,744</b>	<b>0</b>	<b>2,764,744</b>	<b>0.0%</b>
<b>6.0 Environment</b>							
BOGA PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
DIDA SECONARY SCHOOL	160,000			160,000		160,000	0.0%
GANZE NG-CDF OFFICE	364,300	300,000		664,300		664,300	0.0%
JUHUDI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
KAGOMBANI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
KIRIMANI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%



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

MALANGA PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
MITSEMERINI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
MTSARAWATSATSU PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
MUYUNI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
MWANGEA GIRLS SECONARY SCHOOL	160,000			160,000		160,000	0.0%
MWAPULA PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
NYARI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
PALAKUMI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
SOKOKE PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
ZIA RA WIMBI PRIMARY SCHOOL	160,000			160,000		160,000	0.0%
<b>Total</b>	<b>2,764,300</b>	<b>300,000</b>	<b>0</b>	<b>3,064,300</b>	<b>0</b>	<b>3,064,300</b>	<b>0.0%</b>
<b>7.0 Primary Schools Projects</b>							
KWA DADU PRIMARY SCHOOL				0		0	0.0%
PETANGUO PRIMARY SCHOOL				0		0	0.0%
MUHONI PRIMARY SCHOOL		402,027		402,027	0	402,027	0.0%
ZIA RA WIMBI PRIMARY SCHOOL		791,874		791,874	791,874	0	100.0%
JILA PRIMARY SCHOOL			666,362	666,362	666,362	0	100.0%
MWARANDINDA PRIMARY SCHOOL			400,000	400,000	400,000	0	100.0%
UPENDO PRIMARY SCHOOL		500,000		500,000	500,000	0	100.0%
VILWAKWE PRIMARY SCHOOL		1,000,000		1,000,000	1,000,000	0	100.0%
MWANGEA PRIMARY SCHOOL	5,600,000			5,600,000		5,600,000	0.0%
MWANGEA PRIMARY SCHOOL	201,627			201,627		201,627	0.0%
MWANGEA PRIMARY SCHOOL	800,000			800,000		800,000	0.0%

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

MDANGARANI PRIMARY SCHOOL	5,600,000			5,600,000		5,600,000	0.0%
MDANGARANI PRIMARY SCHOOL	200,000			200,000		200,000	0.0%
MDANGARANI PRIMARY SCHOOL	800,000			800,000		800,000	0.0%
MKUHAMURE PRIMARY SCHOOL	2,800,000			2,800,000		2,800,000	0.0%
MKUHAMURE PRIMARY SCHOOL	201,000			201,000		201,000	0.0%
MKUHAMURE PRIMARY SCHOOL	625,000			625,000		625,000	0.0%
DODOSA PRIMARY SCHOOL	4,200,000			4,200,000		4,200,000	0.0%
DODOSA PRIMARY SCHOOL	200,000			200,000		200,000	0.0%
DODOSA PRIMARY SCHOOL	600,000			600,000		600,000	0.0%
RIMA RA PERA PRIMARY SCHOOL	500,000			500,000		500,000	0.0%
MRYACHAKWE PRIMARY SCHOOL	540,000			540,000		540,000	0.0%
<b>Total</b>	<b>22,867,627</b>	<b>2,693,901</b>	<b>1,066,362</b>	<b>26,627,890</b>	<b>3,358,236</b>	<b>23,269,654</b>	<b>12.6%</b>
<b>8.0 Secondary Schools Projects</b>							
NDIGIRIA MIXED DAY SCHOOL			2,207,793	2,207,793	2,207,793	0	100.0%
NDIGIRIA MIXED DAY SCHOOL			600,000	600,000	600,000	0	100.0%
BAMBA GIRLS SECONDARY SCHOOL	5,000,000			5,000,000		5,000,000	0.0%
BAMBA GIRLS SECONDARY SCHOOL	300,000			300,000		300,000	0.0%
BAMBA GIRLS SECONDARY SCHOOL	200,000			200,000		200,000	0.0%
BAMBA GIRLS SECONDARY SCHOOL	300,000			300,000		300,000	0.0%
BAMBA GIRLS SECONDARY SCHOOL	200,000			200,000		200,000	0.0%
KANG'AMBONI SECONDARY SCHOOL	5,000,000			5,000,000		5,000,000	0.0%
KANG'AMBONI SECONDARY SCHOOL	300,000			300,000		300,000	0.0%
KANG'AMBONI SECONDARY SCHOOL	200,000			200,000		200,000	0.0%



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

KANG'AMBONI SECONDARY SCHOOL	300,000			300,000		300,000	0.0%
KANG'AMBONI SECONDARY SCHOOL	200,000			200,000		200,000	0.0%
KANG'AMBONI SECONDARY SCHOOL	474,000			474,000		474,000	0.0%
MARIANI SECONDARY SCHOOL	4,200,000			4,200,000		4,200,000	0.0%
MARIANI SECONDARY SCHOOL	200,000			200,000		200,000	0.0%
MARIANI SECONDARY SCHOOL	720,000			720,000		720,000	0.0%
GANZE GIRLS SECONDARY SCHOOL	5,000,000			5,000,000		5,000,000	0.0%
GANZE GIRLS SECONDARY SCHOOL	200,000			200,000		200,000	0.0%
<b>Total</b>	<b>22,794,000</b>		<b>2,807,793</b>	<b>25,601,793</b>	<b>2,807,793</b>	<b>22,794,000</b>	<b>11.0%</b>
<b>9.0 Tertiary institutions Projects</b>				0		0	
						0	
<b>Total</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>10.0 Security Projects</b>				0		0	
VITENGENI DIVISION ACC'S OFFICE			6,125,845	6,125,845	6,125,845	0	100.0%
CHIRA ASSISTANT CHIEF'S OFFICE	2,300,000			2,300,000		2,300,000	0.0%
CHIRA ASSISTANT CHIEF'S OFFICE	500,000			500,000		500,000	0.0%
CHIRA ASSISTANT CHIEF'S OFFICE	200,000			200,000		200,000	0.0%
DZIKUNZE ASSISTANT CHIEF'S OFFICE	500,000			500,000		500,000	0.0%
DZIKUNZE ASSISTANT CHIEF'S OFFICE	200,000			200,000		200,000	0.0%
DZIKUNZE ASSISTANT CHIEF'S OFFICE	2,300,000			2,300,000		2,300,000	0.0%
MAGOGONI-MATOLANI ASSISTANT CHIEF'S OFFICE	2,300,000			2,300,000		2,300,000	0.0%
MAGOGONI-MATOLANI ASSISTANT	500,000			500,000		500,000	0.0%

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

CHIEF'S OFFICE							
MAGOGONI-MATOLANI ASSISTANT CHIEF'S OFFICE	200,000			200,000		200,000	0.0%
CHIEF'S OFFICE							
MITSEDZINI ASSISTANT CHIEF'S OFFICE	2,300,000			2,300,000		2,300,000	0.0%
MITSEDZINI ASSISTANT CHIEF'S OFFICE	500,000			500,000		500,000	0.0%
MITSEDZINI ASSISTANT CHIEF'S OFFICE	200,000			200,000		200,000	0.0%
MWAMBANI ASSISTANT CHIEF'S OFFICE	2,300,000			2,300,000		2,300,000	0.0%
MWAMBANI ASSISTANT CHIEF'S OFFICE	500,000			500,000		500,000	0.0%
MWAMBANI ASSISTANT CHIEF'S OFFICE	200,000			200,000		200,000	0.0%
<b>Total</b>	<b>15,000,000</b>	<b>-</b>	<b>6,125,845</b>	<b>21,125,845</b>	<b>6,125,845</b>	<b>15,000,000</b>	<b>29.0%</b>
<b>11.0 Acquisition of assets</b>				0		0	
GANZE NGCDF OFFICE MOTORCYCLE	0	0		0	0	0	0.0%
GANZE NGCDF OFFICE		0		0	0	0	0.0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.0%</b>
<b>12.0 Oversight Committee Expenses (itemize)</b>	<b>1,382,150</b>	<b>-</b>	<b>0</b>	<b>1,382,150</b>	<b>1,382,150</b>	<b>0</b>	<b>100.0%</b>
<b>Total</b>	<b>1,382,150</b>	<b>0</b>	<b>0</b>	<b>1,382,150</b>	<b>1,382,150</b>	<b>0</b>	<b>100.0%</b>
<b>12.0 Other payments</b>				0		0	
GANZE NG-CDF STRATEGIC PLAN	3,500,000	1,500,000		5,000,000		5,000,000	0.0%
EMERGENCY		2,273		2,273		2,273	0.0%
MOCKS & CATS		4,410		4,410		4,410	0.0%
VARIOUS VOTEBOOS		1,649,062		1,649,062		1,649,062	0.0%
MBUDZI DISPENSERY		94,295		94,295		94,295	0.0%
						0	



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

Total	3,500,000	3,250,040	0	6,750,040	0	6,750,040	0.0%
<b>13.0 unallocated fund</b>							
Unapproved projects			2,400,000	2,400,000		2,400,000	0.0%
AIA		303,000		303,000		303,000	0.0%
PMC savings				0			
<b>Total</b>		<b>303,000</b>	<b>2,400,000</b>	<b>2,703,000</b>	<b>0</b>	<b>2,703,000</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>138,215,032</b>	<b>15,019,362</b>	<b>12,400,000</b>	<b>165,634,393</b>	<b>63,262,693</b>	<b>100,989,550</b>	<b>38.2%</b>

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

#### **14. 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-Ganze 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.

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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



*Significant Accounting Policies Continued*

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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

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

15. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
	Kshs	Kshs
Normal Allocation		
AIE NO. A895094	10,000,000	
AIE NO. B185053	7,000,000	
AIE NO. B185331	6,000,000	
AIE NO. B185594	15,000,000	
AIE NO. B185881	5,000,000	
AIE NO. B206338	12,000,000	
AIE NO. B205724	12,000,000	
AIE NO. B205983	15,000,000	
AIE NO. B207800	15,000,000	
AIE NO. B 140880		33,000,000
AIE NO. B 105431		44,000,000
AIE NO. B 105760		22,000,000
AIE NO. B 132493		6,000,000
AIE NO. B 128804		12,000,000
AIE NO. B 154002		12,000,000
AIE NO. B 154295		18,000,000
AIE NO. B 155810		10,688,879
AIE NO. B 155940		16,688,879
<b>TOTAL</b>	<b>97,000,000</b>	<b>174,377,758</b>

2. Proceeds From Sale of Assets

Description	2022-2023	2021-2022
	Kshs	Kshs
Receipts from the Sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0



**GANZE Constituency**

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

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

Receipts from the Sale Plant Machinery and Equipment	0	0
Receipts from the Sale of Office and General Equipment	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**3. Other Receipts**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	0	0
Rents	0	0
Receipts Sale of Tender Documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs		0
Other Receipts Not Classified Elsewhere (specify)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

**4. Compensation of Employees**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	1,594,697	1,753,344
<b>Personal allowances paid as part of salary</b>		
House allowance	322,125	454,500
Transport allowance	260,000	372,000
Medical allowance	211,400	316,800
Leave allowance	0	32,000
Gratuity-contractual employees	954,584	1,763,208
Employer Contributions Compulsory national social security schemes	73,440	103,680
<b>TOTAL</b>	<b>3,416,246</b>	<b>4,795,532</b>

**GANZE Constituency**

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

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

5. Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	1,242,495	4,328,310
Other committee expenses	528,000	111,576
<b>TOTAL</b>	<b>1,770,495</b>	<b>4,439,886</b>

6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	8,915	24,385
Communication, supplies and services	79,173	0
Domestic travel and subsistence	1,330,943	615,135
Printing, advertising and information supplies & services	303,078	470,282
Rentals of produced assets	200,000	0
Training expenses	1,257,062	243,000
Hospitality supplies and services	203,591	80,820
Insurance costs	180,650	0
Specialised materials and services	0	0
Office and general supplies and services	583,747	639,745
Fuel , oil & lubricants	535,000	300,000
Other operating expenses	0	23,699
Bank Charges	1,922	0
Security operations	0	0
Routine maintenance - vehicles and other transport equipment	277,430	752,900
Routine maintenance- other assets	34,310	0
<b>TOTAL</b>	<b>5,006,822</b>	<b>3,149,966</b>



**GANZE Constituency**

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

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

**7. Transfer To Other Government Units**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to Primary Schools	3,358,236	82,798,226
Transfers to Secondary Schools	2,807,793	104,499,336
Transfers to Tertiary Institutions	0	
<b>TOTAL</b>	<b>6,166,029</b>	<b>187,297,562</b>

**8. Other Grants and Other transfers**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary - Secondary ( see attached list)	31,007,255	21,841,000
Bursary -Tertiary ( see attached list)	9,770,000	17,320,000
Bursary- Special Schools	0	1,000,000
Mocks & CAT ( see attached list)	0	0
Social Security programmers (NHIF)	0	1,374,000
Security Projects ( see attached list)	6,125,845	10,166,897
Sports Projects ( see attached list)	0	5,723,554
Environment Projects ( see attached list)	0	4,000,000
Emergency Projects ( see attached list)	0	0
Roads Projects	0	0
<b>TOTAL</b>	<b>46,903,100</b>	<b>61,425,451</b>

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

9. Acquisition of Assets

<b>Non Financial Assets</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and General Equipment	0	579,070
Purchase of ICT Equipment, Software and Other ICT Assets	0	167,850
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets		
<b>TOTAL</b>	<b>0</b>	<b>746,920</b>

10. Oversight Committee Expenses

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	1,382,150	0
Other COC expenses	0	0
<b>TOTAL</b>	<b>1,382,150</b>	<b>0</b>



**GANZE Constituency**

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

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

11. Other Payments

Strategic Plan	0	0
ICT Hubs	0	0
	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

12. Cash Book Bank Balance

Name of Bank, Account No. & currency	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
EQUITY BANK-KILIFI BRANCH, NGCDF GANZE CONSTITUENCY, A/C NO. 1060298195611	44,264,721	11,890,002
<b>TOTAL</b>	<b>44,264,721</b>	<b>11,890,002</b>
<b>12B: CASH IN HAND)</b>		
	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other receipts (specify)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

Notes to the Financial Statement Continued

**GANZE Constituency**

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

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

13. Outstanding Imprests

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2023)</i>
	<i>Date imprest taken</i>	<i>Kshs</i>	<i>Kshs</i>	
CHRISTOPHER NYERERE	24-02-14	1,598,760	0	1,598,760
CHRISTOPHER NYERERE	08-05-14	1,240,000	0	1,240,000
TIMA S. AHMED	07-04-11	240,600	0	240,600
MWARUNGU MWADOE	06-08-09	50,000	0	50,000
<b>TOTAL</b>		<b>3,129,360</b>	<b>0</b>	<b>3,129,360</b>

14A. Retention

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Retention as at 1st July (A)	0	0
Retention held during the year (B)	0	0
Retention paid during the Year (C)	0	0
Closing Retention as at 30th June D= A+B-C	0	0

14B. Gratuity

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	954,584	1,471,860
Gratuity held during the year (B)	0	0
Gratuity paid during the Year (C)	954,584	1,471,860
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	0	0



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

15. Fund Balance B/F

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	11,890,002	99,367,560
Cash in hand	0	0
Imprest	3,129,360	3,129,360
<b>TOTAL</b>	<b>15,019,362</b>	<b>102,496,920</b>

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

16. Prior Year Adjustments

	Balance b/f FY 2021/2022 as per Audited Financial statements	Adjustment s	Adjusted Balance** b/f FY 2020, 2021
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	11,890,002		11,890,002
Cash in hand	0	0	-
Accounts Payable	0	0	-
Receivables	3,129,360	19,562	3,148,922
Others (specify)	0	0	-
Total	15,019,362	19,562	15,038,924

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

**GANZE Constituency**

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

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

**17. Changes In Accounts Receivable – Outstanding Imprests**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Outstanding Imprest as at 1st July (A)	3,129,360	3,129,360
Imprest issued during the year (B)	10,290,842	0
Imprest surrendered during the Year (C)	10,290,842	0
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	3,129,360	3,129,360
<b>Net changes in accounts receivables D-A</b>	<b>0</b>	<b>0</b>

**18. Changes In Accounts Payable – Deposits and Retentions**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Deposits and Retention as a t 1st July 2019 (A)	0	0
Deposits and Retention held during the year (B)	0	0
Deposits and Retention paid during the year ©	0	0
Closing accounts payable at 30th June (D=A+B-C)	0	0
<b>Net changes in accounts payables D-A</b>	<b>0</b>	<b>0</b>



**GANZE Constituency**

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

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

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDF Staff	0	0
Others (specify)	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	6,006,242	4,728,789
Use of goods and services	4,568,015	214,314
Amounts due to other Government entities (see attached list)	46,063,654	6,568,056
Amounts due to other grants and other transfers (see attached list)	34,699,578	6,370,777
Acquisition of assets	300,000	556,003
Others (specify)	6,649,062	3,149,062
Funds pending approval	2,703,000	2,703,000
<b>Total</b>	<b>100,989,551</b>	<b>24,290,001</b>

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

---

19.4: PMC account balances (See Annex 5)

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	2,772,339	88,551,333
<b>TOTAL</b>	<b>2,772,339</b>	<b>88,551,333</b>



16. 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	e
<b>Construction of buildings</b>					
1.	0.00		0.00	0.00	
2.	0.00		0.00	0.00	
3.	0.00		0.00	0.00	
<b>Sub-Total</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
<b>Construction of civil works</b>					
4.	0.00		0.00	0.00	
5.	0.00		0.00	0.00	
6.	0.00		0.00	0.00	
<b>Sub-Total</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
<b>Supply of goods</b>					
7.	0.00		0.00	0.00	
8.	0.00		0.00	0.00	
9.	0.00		0.00	0.00	
<b>Sub-Total</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
<b>Supply of services</b>					
10.	0.00		0.00	0.00	
11.	0.00		0.00	0.00	
12.	0.00		0.00	0.00	
<b>Sub-Total</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
<b>Grand Total</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	

**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstandin	
			g Balance 30th June 2023	
<b>NG-CDFC Staff</b>				
1.				
2.				
3.				
	<b>Sub-Total</b>			
	<b>Grand Total</b>			



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

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance
		2022-2023	2021-2022
Compensation of employees		6,006,242	4,728,789
Use of goods & services		4,568,015	214,314
<b>Sub-Total</b>		<b>10,574,257</b>	<b>4,943,103</b>
<b>Amounts due to other Government entities</b>			
MUHONI PRIMARY SCHOOL			402,027
ZIA RA WIMBI PRIMARY SCHOOL			791,874
UPENDO PRIMARY SCHOOL			500,000
JILA PRIMARY SCHOOL			666,362
MWARANDINDA PRIMARY SCHOOL			400,000
NDIGIRIA MIXED DAY SCHOOL			2,807,793
VILWAKWE PRIMARY SCHOOL			1,000,000
BAMBA GIRLS SECONARY SCHOOL		200,000	
BAMBA GIRLS SECONARY SCHOOL		200,000	
BAMBA GIRLS SECONARY SCHOOL		300,000	
BAMBA GIRLS SECONARY SCHOOL		300,000	
BAMBA GIRLS SECONARY SCHOOL		5,000,000	
DODOSA PRIMARY SCHOOL		200,000	
DODOSA PRIMARY SCHOOL		600,000	
DODOSA PRIMARY SCHOOL		3,783,777	
DODOSA PRIMARY SCHOOL		416,223	
GANZE GIRLS SECONARY SCHOOL		200,000	
GANZE GIRLS SECONARY SCHOOL		5,000,000	

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

KANG'AMBONI SECONARY SCHOOL		200,000	
KANG'AMBONI SECONARY SCHOOL		200,000	
KANG'AMBONI SECONARY SCHOOL		300,000	
KANG'AMBONI SECONARY SCHOOL		300,000	
KANG'AMBONI SECONARY SCHOOL		474,000	
KANG'AMBONI SECONARY SCHOOL		5,000,000	
MARIANI SECONARY SCHOOL		200,000	
MARIANI SECONARY SCHOOL		720,000	
MARIANI SECONARY SCHOOL		4,200,000	
MDANGARANI PRIMARY SCHOOL		200,000	
MDANGARANI PRIMARY SCHOOL		800,000	
MDANGARANI PRIMARY SCHOOL		5,600,000	
MKUHAMURE PRIMARY SCHOOL		201,000	
MKUHAMURE PRIMARY SCHOOL		625,000	
MKUHAMURE PRIMARY SCHOOL		2,800,000	
MRYACHAKWE PRIMARY SCHOOL		540,000	
MUHONI PRIMARY SCHOOL		402,027	
MWANGEA PRIMARY SCHOOL		800,000	
MWANGEA PRIMARY SCHOOL		5,600,000	
MWANGEA PRIMARY SCHOOL		201,627	
RIMA RA PERA PRIMARY SCHOOL		500,000	
<b>Sub-Total</b>		<b>46,063,654</b>	<b>6,568,056</b>
<b>Amounts due to other grants and other transfers</b>			
Bursary - Secondary		0	7,255
Bursary -Tertiary		5,059,366	136,255
Bursary- Special Schools		0	
Mocks & CAT		4,410	4,410
Social Security programmes (NHIF)		1,374,000	



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

Security Projects		22,636,190	6,125,845
Sports Projects		2,764,744	444
Environment Projects		2,764,300	
Emergency Projects		2,273	2,273
Hospital Projects		94,295	94,295
<b>Sub-Total</b>		<b>34,699,578</b>	<b>6,370,777</b>
<b>Acquisition of assets</b>			
GANZE NG-CDF OFFICE		300,000	300,000
GANZE NGCDF OFFICE MOTORCYCLE			650
GANZE NGCDF OFFICE			255,353
<b>Sub-Total</b>		<b>300,000</b>	<b>556,003</b>
<b>Oversight Committee Expenses(itemize)</b>			
<b>Sub-Total</b>		<b>0</b>	<b>0</b>
<b>Others (specify)</b>			
VARIOUS VOTE BALANCES		1,649,062	1,649,062
STRATEGIC PLAN		5,000,000	1,500,000
<b>Sub-Total</b>		<b>6,649,062</b>	<b>3,149,062</b>
Funds pending approval		2,400,000	2,400,000
AIA		303,000	303,000
<b>Sub-Total</b>		<b>2,703,000</b>	<b>2,703,000</b>
<b>Grand Total</b>		<b>100,989,551</b>	<b>24,290,002</b>

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	b/f			Cost
	(Kshs)			(Kshs)
	2021-2022			2022-2023
Land				-
Buildings and structures	18,000,000	255,353		18,255,353.00
Transport equipment	8,462,382			8,462,382.00
Office equipment, furniture and fittings	1,873,750			1,873,750.00
ICT Equipment, Software and Other ICT Assets	583,850			583,850.00
Other Machinery and Equipment	9,560,000			9,560,000.00
Heritage and cultural assets	0			-
Intangible assets	0			-
<b>Total</b>	<b>38,479,982</b>	<b>255,353</b>	<b>0</b>	<b>38,735,335</b>



**GANZE Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

NO	PMC NAME	Account number	Bank	DATE A/C OPENED	Bank Balance 2022/23	Bank Balance 2021/22
1	BAMBA CHIEFS OFFICE	1060280830250	EQUITY		78,062	126,935
2	MRIMA WA NDEGE CHIEFS OFFICE	1060280826784	EQUITY		26,943	69,544
3	SOSONI SECONDARY SCHOOL	1060280374747	EQUITY		2,955	576,344
4	SPORTS	1060278759917	EQUITY		1,782	73,782
5	MITANGANI SECONDARY SCHOOL	1060280617190	EQUITY		49,205	3,000,000
6	DIDA SECONDARY SCHOOL	1060279816486	EQUITY		52,185	
7	BAMBA GIRLS' SECONDARY SCHOOL	1060280565317	EQUITY		29,625	5,229,457
8	VITENGENI POLICE STATION	1060279045419	EQUITY		406,680	6,819,822
9	MIGODOMANI MIXED DAY SECONDARY SCHOOL	1060282708592	EQUITY		(416)	4,700,000
10	BAHERO GIRLS' SECONDARY SCHOOL	1060282713550	EQUITY		768	8,600,000
11	NDIGIRIA MIXED DAY SECONDARY SCHOOL	1060282717437	EQUITY		449,014	3,392,207
12	VITENGENI DIVISION ACC OFFICE	1060283082077	EQUITY		641	
13	KAUMA GIRLS' SECONDARY SCHOOL	1060282738270	EQUITY		167,207	8,600,000
14	BAMBA POLICE STATION	1060177527651	EQUITY		46,632	
15	MADAMANI ASSISTANT CHIEF OFFICE	1060282239819	EQUITY		3,723	2,939,025
16	MIDOINA SECONDARY SCHOOL	1060279045221	EQUITY		1,321	233,767
17	MARERE PRIMARY SCHOOL	1060279085432	EQUITY		69,584	69,584
18	MUGUMONI PRIMARY SCHOOL	1060280291771	EQUITY		122,624	122,624
19	KADZANDANI PRIMARY SCHOOL	1060280291966	EQUITY		1,320	50,504
20	DARAJANI PRIMARY SCHOOL	1060280296674	EQUITY		250,648	2,850,000



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

21	MAYA PRIMARY SCHOOL	1060280335600	EQUITY		1,014	199,697
22	MAYOWE SECONDARY SCHOOL	1060280303547	EQUITY		258,231	328,232
23	RANCH PRIMARY SCHOOL	1060280821685	EQUITY		226	204,225
24	JUHUDI PRIMARY SCHOOL	1060282222515	EQUITY		0	1,285,607
25	MAKALANGENI PRIMARY SCHOOL	1060280822184	EQUITY		51,734	179,789
26	MAKONJENI PRIMARY SCHOOL	1060282228646	EQUITY		296	3,715,000
27	YEMBE PRIMARY SCHOOL	1060281038343	EQUITY		54,809	54,809
28	MAKALANGENI PRIMARY SCHOOL	1060280798154	EQUITY		69,615	
29	VILWAKWE PRIMARY SCHOOL	1060282835665	EQUITY		20,414	
30	MWAEBWA PRIMARY SCHOOL	1060281231579	EQUITY		0	153,094
31	MULUNGU WA MAWE PRIMARY SCHOOL	1060278504320	EQUITY		20,609	127,108
32	MUYUNI PRIMARY SCHOOL	1060278583019	EQUITY		416	
33	MIDODONI PRIMARY SCHOOL	1060278590462	EQUITY		25,152	
34	KATOFENI PRIMARY SCHOOL	1060278597967	EQUITY		2,812	120,812
35	BANDARI SECONDARY SCHOOL	1060278971832	EQUITY		6,310	
36	NDUGUMNANI SECONDARY SCHOOL	1060279813566	EQUITY		30,609	
37	FORODHOYO PRIMARY SCHOOL	1060279814759	EQUITY		53,219	177,211
38	CHINYUME PRIMARY SCHOOL	1060280299440	EQUITY		462	463
39	MWANGANGA PRIMARY SCHOOL	1060280317694	EQUITY		88,508	88,508
40	VYAMBANI SECONDARY SCHOOL	1060280324019	EQUITY		78,617	1,899,100
41	MABATANI PRIMARY SCHOOL	1060280332163	EQUITY		1,476	3,752,222
42	JIRA PRIMARY SCHOOL	1060280361606	EQUITY		90,445	90,446
43	MNAGO WA DOLA PRIMARY SCHOOL	1060280414225	EQUITY		87,454	87,454
44	NGAMANI PRIMARY SCHOOL	1060280896718	EQUITY		39,588	84,877
45	GOSHI PRIMARY SCHOOL	1060280927010	EQUITY		29,820	29,821
46	AMB. KITHI MEMORIAL SECONDARY	1060279027903	EQUITY			61,786



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

	SCHOOL				
47	BAHATI PRIMARY SCHOOL	1060280795345	EQUITY		3,420
48	BODOI PRIMARY SCHOOL	1060278542728	EQUITY		789
49	CHAPUNGA PRIMARY SCHOOL	1060279614274	EQUITY		242,216
50	DULUKIZA PRIMARY SCHOOL	1060280308851	EQUITY		21,240
51	ENVIRONMENT	1060276401283	EQUITY		23,733
52	FORODHOYO PRIMARY SCHOOL	1060279814759	EQUITY		177,211
53	FUDUMULO PRIMARY SCHOOL	1060280855185	EQUITY		500,000
54	GANZE DCC's OFFICE	1060279026472	EQUITY		104,773
55	JILA PRIMARY SCHOOL	1060280361822	EQUITY		627,860
56	JILA SECONDARY SCHOOL	1060277475490	EQUITY		3,143,555
57	KAFITSONI PRIMARY SCHOOL	1060280173756	EQUITY		41,481
58	KARIMANI PRIMARY SCHOOL	1060280875441	EQUITY		63,845
59	KAUMA CHIEFS OFFICE	1060280811382	EQUITY		78,062
60	KAVUNZONI PRIMARY SCHOOL	1060280331383	EQUITY		175,877
61	KIDEMU PRIMARY SCHOOL	1060280892983	EQUITY		19,249
62	KIKWANGULONI PRIMARY SCHOOL	1060280303406	EQUITY		20,790
63	KIRIMANI PRIMARY SCHOOL	1060280830599	EQUITY		732,274
64	KWA DADU PRIMARY SCHOOL	1060282773899	EQUITY		200,000
65	LWANDANI PRIMARY SCHOOL	1060280373699	EQUITY		5,567
66	MADAMANI PRIMARY SCHOOL	1060280308086	EQUITY		11,388
67	MADAMANI PRIMARY SCHOOL	1060280308086	EQUITY		11,388
68	MAGOGONI SECONDARY SCHOOL	1060282251332	EQUITY		1,290,055
69	MAOJO PRIMARY SCHOOL	1060280795484	EQUITY		500,000
70	MARYANGO PRIMARY SCHOOL	1060280482124	EQUITY		189,381
71	MISUFINI PRIMARY SCHOOL	1060278989166	EQUITY		79
72	MNAGONI PRIMARY SCHOOL	1060282251046	EQUITY		2,524,000
73	MUHONI PRIMARY SCHOOL	1060279023763	EQUITY		1,984
74	MURYACHAKWE PRIMARY SCHOOL	1060282227755	EQUITY		2,532,000

**GANZE Constituency**

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

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

75	NYARI SECONDARY SCHOOL	1060280754166	EQUITY			1,106,308
76	SHANGWENI SECONDARY SCHOOL	1060281299589	EQUITY			345,093
77	ST. PETERS PRIMARY SCHOOL	1060280308558	EQUITY			108,468
78	TEDDY MWAMBIRE SECONDARY SCHOOL	1060282753805	EQUITY			11,020,000
79	TSANZUNI SECONDARY SCHOOL	1060280806092	EQUITY			231,093
80	VITENGENI PRIMARY SCHOOL	1060282241560	EQUITY			2,341,000
81	ZIA RA WIMBI PRIMARY SCHOOL	1060277607990	EQUITY			63,298
					<b>2,772,339</b>	<b>88,551,333</b>



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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	On Presentation and Accuracy of Financial Statements	Errors noted in the F.S have been corrected and the Financial Statements has since been amended to comply with the IPSASB	Resolved	
2.	On repetition of explanatory notes on the said pages	Errors noted in the F.S have been corrected and the Financial Statements has since been amended to comply with the IPSASB	Resolved	
3.	On numbering of notes to the financial statements;	Errors noted in the F.S have been corrected and the Financial Statements has since been amended to comply with the IPSASB	Resolved	
4.	On variances between the ledger balances and the figures disclosed in the financial statements;	The figures have been reconciled and the Financial statements has since been amended to comply with the IPSASB	Resolved	
5.	On lack of	-Availed, please find the files	Resolved	

GANZE Constituency

National Government Constituencies Development Fund (NGCDF)

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	issue and return registers for Bursary applicants	containing all the duly filled bursary application forms that were used as a basis for awarding the bursaries to the successful applicants.		
6	On Social Security Programme (NHIF)-Kshs. 1,374,000	All procedures were duly followed in identifying the 229 beneficiaries for the social security programme;  -Availed, please find the MOU with NHIF (See Annex 10 for your verification)  -Availed, please find the records/Minutes of the vetting and selection process		
7	On Contracts Awarded without	-In all payments made to the contractors, a retention fee of	Resolved	



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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Performance Bonds- Kshs. 27,779,315	10% of the contract sum was withheld by the procuring entity before the project is practically complete. Once the project is practically complete, a retention fee of 5 % of the contract sum was withheld for a period of six months. The retention fee of 5% was released to the contractor only after the defects liability period of six months was over.		
8	On expenditure for repair of Vehicle, GKB 036R-Kshs. 249,400	-Availed, please find the pre-inspection and post-inspection reports for the vehicle from the Mechanical & transport department-Kilifi in support of the expenditure (See Annex 17 for your verification)	Resolved	

**GANZE Constituency**

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


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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
9.	On Long outstanding Imprests-Kshs. 3,129,360	<p>-The Kshs. 3,129,360.00 outstanding imprests is a historical issue.</p> <p>-The said Imprest holders are no longer in payroll/employees of the NG-CDF Board and as such we cannot recover the amounts from the salaries of the defaulting officers. However, we are engaging the Board to find a solution.</p>	Resolved	
10	PMC Bank Balances	<p>In deed, the PMC bank account balances is Kshs. 88,551,332 as reflected in Annex 5 to the financial statements for the year ended 30 June 2022.</p> <p>-There is no variance of Kshs.</p>	Resolved	



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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		23,259,444 as we cannot compare balances of two different accounts; PMC bank account balances and NG-CDFC bank account balances.		
11	Stale Cheques-Kshs. 191,339	-The stale cheques amounting to the Kshs. 191,339 were reversed and replaced in the Cashbook in the subsequent months (See Annex 21 for your verification).	Resolved	

  
**RONALD WANJE JEMBE**  
 Fund Account Manager  
 O. Box 489-80108  
 KILIFI