

REPUBLIC OF KENYA



Enhancing Accountability

REPORT



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 07 AUG 2024 DAY: Afternoon

TABLED BY: Deputy Leader of Majority Party

CLERK-AT-THE-TABLE: Benson Inzotu

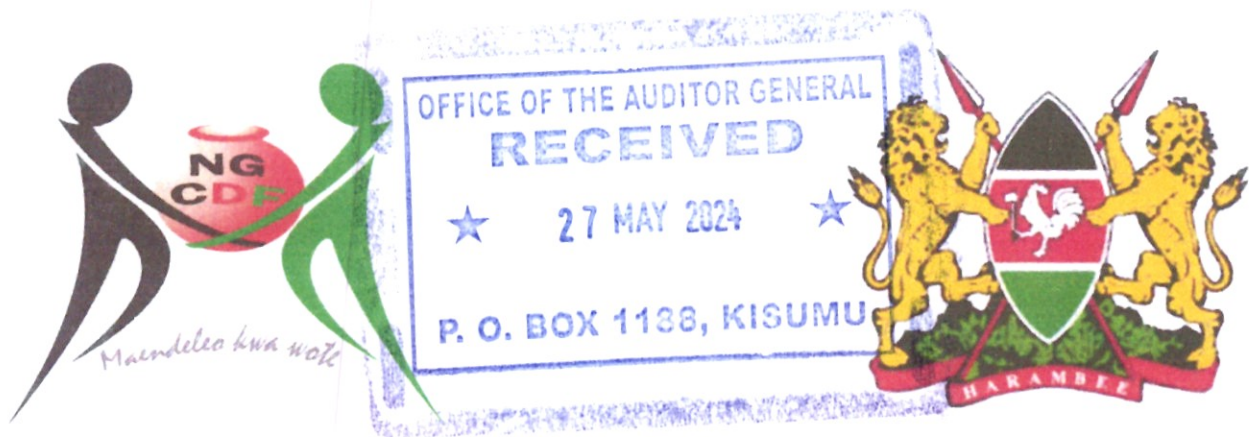
OF

THE AUDITOR-GENERAL

ON

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

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



GEM CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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I. Acronyms and Abbreviations

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

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

NGCDFB-National Government Constituency Development Fund Board

ARMC- Audit and Risk Management Committee

COC- Constituency oversight Committee

PSASB-Public Sector Accounting Standards Board

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Gem Constituency NGCDF day-to-day management is under the following key organs:

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 202X and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Naphtally Mulesi Ochuma
2.	Sub-County Accountant	Benson Khisa
3.	Chairman NGCDFC	Leah Nyanja
4.	Member NGCDFC	Rozalyne Akinyi

(c) Fiduciary Oversight Arrangements

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

P.O. Box 53, Sawagongo
Gem NG-CDF Building
Luanda –Siaya Road
Wagai, KENYA

(e) Gem Constituency NGCDF Contacts

Telephone: (254) 723052513
E-mail: cdfgem@ngcdf.go.ke
Website: www.gemcdf.go.ke

(f) Gem Constituency NGCDF Bankers

Co-operative Bank
Yala Branch
P.O.Box 195
Yala.

(g) Independent Auditors

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

(h) Principal Legal Adviser

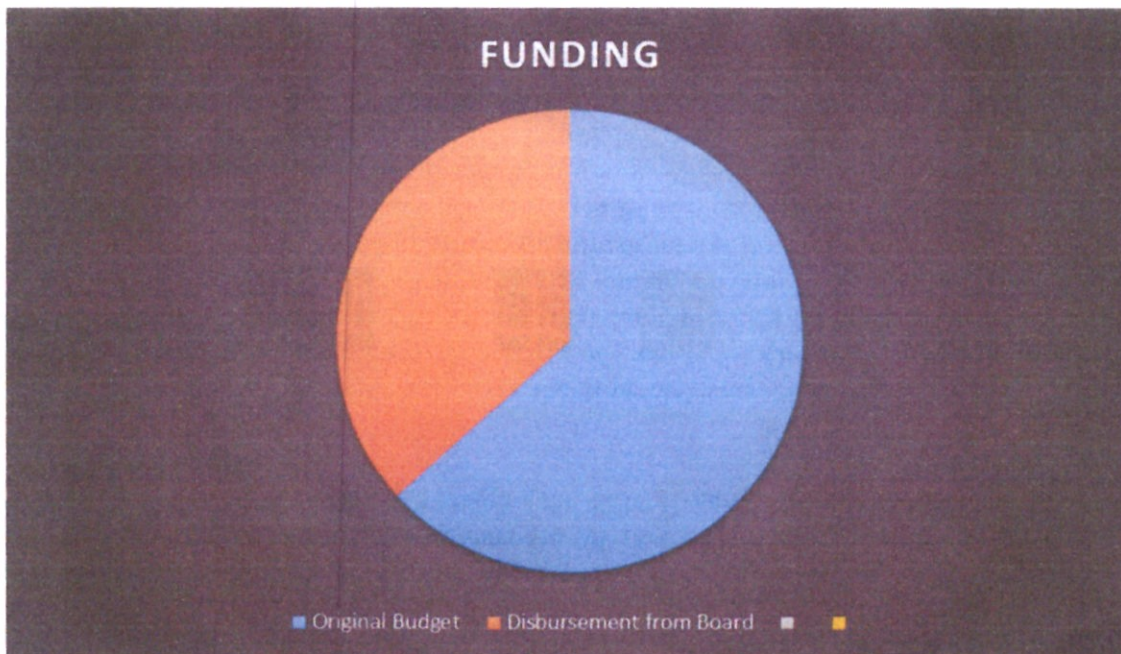
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

III. NG-CDFC Chairman's Report



LEAH NYANJA

In the financial year 2022/2023 the Gem NG-CDF had an original budget of Kshs.151,960,174 but the final budget had amounted to Kshs.176,266.441 because we received Kshs. 12,088,879 which was the previous year's outstanding disbursement and also the opening balance of Kshs. 17,874,660.90 which was carried forward from 2021/2022 financial year. In regard to disbursement from the NG-CDF BOARD, our constituency had managed to receive Kshs. 88,000,000 by the closure of the financial year which translates to 57.91% of the 2022/2023 financial year's budget. The pie chart representing the amount received from Board verses the balance is as below;



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Gem Constituency has practiced good financial governance which is key in ensuring efficiency, effectiveness, responsiveness and accountability of public funds. Our financial statements are good, but the real benefit of our success is what it means to the constituents we serve. To this, I am incredibly proud of the team that ensured all this is possible and I therefore convey my utmost gratitude to the Fund Account manager, the Sub- County Accountant and the internal Audit team, NG-CDFC and NG-CDF staff.

Through our project implementation in the financial year 2022/2023, we have made significant contributions to the constituency. The effect of Gem NG-CDF funded projects in the constituency is highly manifested by increase in job creation for the locals (especially youths, women and people with special needs), increase in literacy levels and an amazing reduction in school dropout rates, easy access to basic services through improved infrastructural development and equitable development in the whole constituency. We have also managed to take care of 600 vulnerable constituents by paying for their National Health Insurance cover.

We have faced a number of challenges during this financial year. The first being over dependency on bursary fund due to high level of poverty and to many orphans within the constituency. The high level of insecurity in our constituency especially during the anti-government protest in our constituency has reduced our operations since our office always remain closed during protest following the previous attack of our office. These challenges have greatly curtailed successful implementation of our projects. However, despite the challenges we have faced during the financial year, we have managed to execute most of the projects in our code list.

Highlighted below are some of flagship projects that the committee was able to initiate over the past financial year



ADMINISTRATION BLOCK AT RERA KMTc FUNDED BY GEMNG-CDF



SCIENCE LABORATORY AT ST.PAUL'S SIRIWO MIXED SECONDARY SCHOOL FUNDED BY GEM NG-CDF



CONSTRUCTION OF ADMINISTRATION BLOCK AT NYASIDHI MIXED SECONDARY SCHOOL

Leah Nyarja
CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

The key development objectives of *Gem Constituency 2023-2027* plan are to:

- i. Build consensus and develop a vision of Gem we want through a consultative process.
- ii. Establish a baseline for residence satisfaction level with services provided in the various sectors by the constituency.

Prioritize and rank the constituency's economic, social and political development needs through analysis and identification of critical problems and opportunities

Progress on attainment of Strategic development objectives

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

S	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2022/2023 -we increased number of classrooms from 25 to 30, laboratories from 3 to 5, drilling of boreholes from 4 to 7, construction of ablution block from 1 to 2 and Construction of staff house from 0 to 2. - Bursary of Ksh. 40,434,187.40 was allocated.</i>
Security				The organization funded 5 security institutions in 2022/2023 amounting to Ksh. 3,600,000.
Environment				Gem NG-CDF

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				allocated funds amounting to Kshs. 2,100,000 for supply and installation of 10,000 liters water tank in 14 schools
Sports				In the 2022/2023 financial year's budget, Gem NG-CDF allocated 2,887,243.3 for conducting sport tournament of which Kshs. 350,000 to be used for regional sports.
Emergency				The constituency was allocated Kshs. 7,636,190.00 for emergency of which Kshs. 7,600,000 was utilized leaving a balance of Kshs. 36,190 as unutilized fund.

V. Statement of Governance

Appointment of CDFC

Regulation 5(1) makes reference to procedure of member selection, the members of a Constituency Committee provided for under section 43(2) (b), (c) and (d) of the CDF Act shall be selected by a selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.

Vacancy shall occur in Constituency Committee upon:

- 1) Commencement of a new parliamentary term;
- 2) Dissolution of a Constituency Committee;
- 3) Removal of a member of a Constituency committee; or
- 4) The occurrence of a vacancy in a Constituency Committee.

Regulation 5 (3) refers to constitution of a selection panel, upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

Regulation 5(4) refers to members constituting selection panel, the selection panel referred to in paragraph (1) shall consist of:

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

Regulation 5(5) refers to invitation of applicants for appointment to be members of the committee, the officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

Regulation 5(6) the selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act

Regulation 5(7), the officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

Regulation 5(8) the Board shall co-opt the person referred to in section 43(2)(g) of the Act to ensure equitable representation in the membership of a Constituency Committee.

Regulation 5(9) refers to notification on nomination, the Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

Regulation 5(10) the Board shall submit the names of the seven persons selected from each Constituency in accordance with section 43(2, (b), (c),(d) and (e) of the Act to the National Assembly for approval.

Regulation 5(11) refers to appointment and resignation, the Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

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

A member of a Constituency Committee who is appointed under section 43 (2) (b), (c), (d), (e) and (g) may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43(2),(b),(c) or (d) shall be a mandatory signatory to the Constituency accounts.

Removal of a member of NGCDF Committee

Regulation 10 (1) refers to removal of a member, the members of a Constituency Committee may remove a member in accordance with section 43 (13) and (14) of the Act upon receipt of a complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of.

The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting.

If, at a meeting held pursuant to paragraph (4), members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice.

A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph (5).

The member against whom the complaint is raised may be required to respond to the complaint in writing.

The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a Constituency Committee may hear such a member.

The member against whom a complaint is made may call witnesses.

If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter.

Notwithstanding paragraph (10), a Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing.

If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available.

A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing.

If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen

days of the decision.

The communication to the Board under paragraph (14) shall include duly executed proceedings, together with all the supporting documents.

The Board shall, within thirty days after receipt of the communication in paragraph (14), consider the matter and issue a final declaration which shall be binding on all parties.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively.

A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be heard.

A Chairperson or secretary who is removed pursuant to paragraph (19) shall continue to discharge duties as a member of the Constituency Committee.

At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

The functions of a Constituency Committee shall be to :

- a) Build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
- b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- e) 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;
- f) Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- g) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- h) Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- i) Rank projects proposals in order of priority while ensuring that on-going projects take precedence;

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- j) Ensure that all projects receive adequate funding and are completed within three years;
- k) 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;
- l) (I) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- m) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- n) Ensure that project reports are prepared and submitted to the Board;
- o) Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;

VI. Environmental and Sustainability Reporting

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

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 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

- *Gem NG-CDF has supported environmental conservation activities by allocating funds to schools for planting of tree seedlings and maintenance of the existing tree seedlings. We have also purchased water tanks in various schools which has assisted us in collecting rain water for use and for watering the tree seedlings. We have also conducted two trainings on environment conservation.*

We have conducted two sensitization trainings on alcohol and drug abuse to the constituents. NG-CDF Gem has also supported police officer in fitting drug abuse by constructing security offices.

NG-CDF has been organizing sport tournaments at least once a year and during sports participants and observers are taught importance of unity and environmental conservation.

3. Employee welfare

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

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Gem 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.

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



.....
Naphtally Mulesi Ochuma
Fund Account Manager.

VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Gem 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-Gem 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- Gem 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 Gem 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.

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

Approval of the financial statements

The NGCDF- Gem Constituency financial statements were approved and signed by the Accounting Officer on 20th September 2023.



.....
Name: Leah Nyanja

Chairman – NGCDF Committee



.....
Name: Naphtally Mulesi Ochuma

Fund Account Manager

REPUBLIC OF KENYA



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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - GEM 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 - Gem Constituency set out on pages 1 to 41, 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 a summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.42,445,000 which as disclosed in Note 8 to the financial statements, includes bursary payments amounting to Kshs.24,430,000, Kshs.3,770,000 and Kshs.170,000 disbursed to secondary schools, tertiary institutions and special schools respectively. However, no acknowledgement letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.28,370,000 could not be confirmed.

2. Unsupported Projects Management Committee Bank Balances

Note 19.4 and Annex 5 to the financial statements reflects ninety-nine (99) Project Management Committee (PMC) banks account balance of Kshs.12,362,076. However, thirty (30) bank accounts balances were not supported with cash books and bank reconciliation statements.

In the circumstances, the accuracy and existence of the Project Management Committee bank accounts balance of Kshs.12,362,076 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Gem Constituency Management in accordance with ISSAI 130 on the 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 revenue budget and actual on comparable basis amount of Kshs.181,923,714 and Kshs.105,874,661 respectively resulting to an underfunding of Kshs.76,049,053 or 42% of the budget. However, the Fund spent an amount of Kshs.100,016,439 against actual receipts of Kshs.105,874,661 resulting to an under-utilization of Kshs.5,858,222 or 6% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matter

In the audit of the previous year, a matter was raised under the Report on Financial Statements and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues or provided explanation for failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter 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

Non-Compliance With Management of Emergency Reserves

During the year under review Management incurred expenditure amounting to Kshs.8,075,000 towards emergency projects. Physical inspection conducted in March, 2024, revealed that the projects were complete. However, no documentary evidence was provided indicating that Management had reported any of the emergency expenditure to the Board using the prescribed format and within the stipulated period of thirty (30) days. Further, no minutes were provided as evidence on whether the

emergency projects related to 'urgent, unforeseen need for expenditure' that could not be delayed as per Section 8(3) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 June, 2024

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

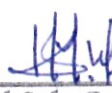
IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

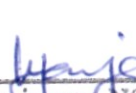
	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	88,000,000	170,488,879
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		88,000,000	170,488,879
Payments			
Compensation Of Employees	4	3,681,173	3,086,960
Committee expenses	5	4,086,250	-
Use Of Goods and Services	6	5,054,016	7,403,981
Transfers To Other Government Units	7	44,400,000	87,126,000
Other Grants and Transfers	8	42,445,000	62,300,979
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	350,000	-
Other Payments	11	-	-
Total Payments		100,016,439	159,917,920
Surplus/ (Deficit)		(12,016,439)	10,570,959

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 24th May 2024 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: Naphtally Mulesi
Ochuma

Name: Benson Khisa
ICPAK M/No: 20486

Name: Leah Nyanja

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

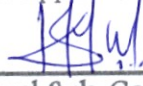
X. Statement Of Assets and Liabilities As At 30th June, 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	5,215,672	17,874,661
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		5,215,672	17,874,661
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		5,215,672	17,874,661
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	838,010	1,480,560
NET FINANCIAL SSETS		4,377,662	16,394,101
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	16,394,101	5,823,142
Prior year adjustments	16		-
Surplus/Defict for the year		(12,016,439)	10,570,959
NET FINANCIAL POSITION		4,377,662	16,394,101

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 24th May 2024 and signed by:


 Fund Account Manager


 National Sub-County
 Accountant


 Chairman NG-CDF
 Committee

Name: Naphtally Mulesi
 Ochuma

Name: Benson Khisa
 ICPAK M/No:20486

Name: Leah Nyanja

Gem Constituency

National Government Constituencies Development Fund (NGCDF)


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


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

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	88,000,000	170,488,879
Other receipts	3	-	-
		88,000,000	170,488,879
Payments for operating activities			
Compensation of Employees	4	3,681,173	3,086,960
Committee expenses	5	4,086,250	
Use of goods and services	6	5,054,016	7,403,981
Transfers to Other Government Units	7	44,400,000	87,126,000
Other grants and transfers	8	42,445,000	62,300,979
Oversight Committee Expenses	10	350,000	-
Other Payments	11	-	-
		100,016,439	159,917,920
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	(642,550)	696,632
Prior year Adjustments	16		-
Net Adjustments		(642,550)	696,632
Net cash flow from operating activities		(12,658,989)	11,267,591
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(12,658,989)	11,267,591
Cash and cash equivalent at BEGINNING of the year	12	17,874,661	6,607,070
Cash and cash equivalent at END of the year		5,215,672	17,874,661

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 24th May 2024 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NGCDF
Committee

Name: Naphtally Mulesi
Ochuma

Name: Benson Khisa
ICPAK M/No:20486

Name: Leah Nyanja

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

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

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments Previous years Outstanding Disbursements	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisati on f=d/c %
	a		b				
RECEIPTS							
Transfers from NG-CDF Board	151,960,174	17,874,661	12,088,879	181,923,714	105,874,661	76,049,053	58.2%
Proceeds from Sale of Assets	-		0	0	-	-	0.0%
Other Receipts				0	-	-	0.0%
TOTAL RECEIPTS	151,960,174	17,874,661	12,088,879	181,923,714	105,874,661	76,049,053	58.2%
PAYMENTS							
Compensation of Employees	4,339,788	6,034,857	0	10,374,645	3,681,173	6,693,472	35.5%
Committee expenses	4,896,347	617,495	0	5,513,842	4,086,250	1,427,592	74.1%
Use of goods and services	4,078,845	3,497,506	0	7,576,351	5,054,016	2,522,335	66.7%
Transfers to Other Government Units	73,310,000	0	11,341,606	84,651,606	44,400,000	40,251,606	52.5%
Other grants and transfers	56,657,621	7,724,803	747,273	65,129,697	42,445,000	22,684,697	65.2%
Acquisition of Assets	0	0	0	0	-	-	0.0%
Oversight Committee Expenses	1,367,809	0	0	1,367,809	350,000	1,017,809	25.6%
Other Payments	3,809,764	-	-	3,809,764	-	3,809,764	0.0%
Unallocated fund	3,500,000	-	-	3,500,000	-	3,500,000	-
TOTAL	151,960,174	17,874,661	12,088,879	181,923,714	100,016,439	81,907,275	55.0%

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

Gem Constituency

National Government Constituencies Development Fund (NGCDF)

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

Explanatory Notes.

(a) During the year, there was no appropriation in aid received.

The percentage utilization of the fund was 56.7. The disbursements from the exchequer were released late in the year

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Changes between the original and the final budget were as a result of opening balance brought forward by the beginning of the year and the balances that had not been received from the exchequer relating to previous years.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	81,907,275
Less undisbursed funds receivable from the Board as at 30th June 2023	76,049,053
	5,858,222
Decrease/(Increase) in Accounts receivable	0
Increase/(Decrease) in Accounts Payable	-642550
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2022/2023	5,215,672

The Constituency financial statements were approved by NG CDFC on 24th May 2024 and signed by:


Fund Account Manager

Name: Naphtally Mulesi Ochuma


National Sub-County Accountant

Name: Benson Khisa
ICPAK M/No:20486


Chairman NG-CDF Committee

Name: Leah Nyanja

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023	6/30/2023	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,339,788	6,034,857	0	10,374,645	3,681,173	6,693,472
1.2 Committee allowances	3,335,347	56,220	0	3,391,567	2,859,050	532,517
1.3 Use of goods and services	1,308,979	36,135	0	1,345,114	1,280,114	65,000
Total	8,984,114	6,127,212	0	15,111,326	7,820,337	7,290,989
2.0 Monitoring and evaluation						
2.1 Capacity building	1,520,000	1,660,366	0	3,180,366	2,172,500	1,007,866
2.2 Committee allowances	1,561,000	561,275	0	2,122,275	1,227,200	895,075
2.3 Use of goods and services	1,249,866	1,801,005	0	3,050,871	1,601,402	1,449,469
Total	4,330,866	4,022,646	0	8,353,512	5,001,102	3,352,410
3.0 Emergency				0		0
3.1 Primary Schools	5,200,000	475,827		5,675,827	5,675,000	827
3.2 Secondary schools	1,600,000			1,600,000	1,600,000	0
3.3 Tertiary institutions	0			0		0
3.4 Security projects	800,000		0	800,000	800,000	0
3.5 Unutilized	36,190		0	36,190		36,190
Total	7,636,190	475,827	0	8,112,017	8,075,000	37,017

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

7.0 Primary Schools Projects								
Nyabeda Primary School	2,400,000			0	2,400,000		0	0
Sirandu Primary School	1,200,000			1,200,000			1,200,000	0
Siremba Primary School	1,600,000			1,600,000			1,600,000	0
Lundha Primary school	400,000			400,000			400,000	0
Regea Primary School	300,000			300,000		0	300,000	300,000
Kambare Primary	300,000			300,000			300,000	300,000
Lundha Primary school	2,400,000			2,400,000		1,600,000	800,000	800,000
Ligoma Primary School	1,200,000			1,200,000		1,200,000		0
Sinaga Primary school	800,000			800,000		800,000		0
Kudho Primary school	2,400,000			2,400,000		2,400,000		0
Onyinyore Primary school	2,500,000			2,500,000		2,500,000		0
Opal primary school.	550,000			550,000		550,000		0
Kotoo Primary school	150,000			150,000		150,000		0
Wangoji Primary school	500,000			500,000		500,000		500,000
Kagilo Primary school	500,000			500,000		500,000		500,000
Gongo Primary school	1,200,000			1,200,000		1,200,000		1,200,000
Nango Gonda Primary school	610,000			610,000		610,000		610,000
Kanyilaji Primary school	600,000			600,000		600,000		0
Kanyilaji Primary school	2,500,000			2,500,000		2,500,000		0
Yala Township Primary	1,650,000			1,650,000		1,650,000		0
Uganga Primary	700,000			700,000				700,000
Uganga Primary school	2,500,000			2,500,000		2,500,000		0
Nyangulu Primary school	1,800,000			1,800,000		1,800,000		0
Odok Kera			200,000	200,000				200,000
Urarni Primary	700,000			700,000				700,000
Total	29,460,000	0	200,000	29,660,000	22,650,000			7,010,000

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

Total	40,350,000	0	7,141,606	47,491,606	0	21,750,000	25,741,606
9.0 Tertiary institutions Projects							0
Rera Kenya Medical Training College	1,000,000	0	0	1,000,000			1,000,000
Apwoyo TTC	0		4,000,000	4,000,000			4,000,000
Rera Kenya Medical Training College	2,500,000			2,500,000			2,500,000
Total	3,500,000	0	4,000,000	7,500,000	0	0	7,500,000
10.0 Security Projects							0
Yala Deputy County Commissioner's Residence	250,000			250,000			250,000
Gem Yala Administration police Commandant Office	350,000			350,000			350,000
Nguge ass chief office		0		0			0
Ramula Administration Police (AP)'s Camp	600,000			600,000			600,000
Malanga ACC staff House	2,000,000	0		2,000,000		2,000,000	0
Lundha Assistant Chiefs office	400,000			400,000		400,000	0
Total	3,600,000	0	0	3,600,000	0	2,400,000	1,200,000
11.0 Acquisition of assets							0
Total	0			0			0
12.0 Oversight Committee Expenses (itemize)							0
Constituency Oversight Committee allowances	120,000	0		120,000		0	120,000
Hire of Transport	480,000	0		480,000		150,000	330,000
Refined fuels and lubricants for NG-CDF Vehicle	248,207	0		248,207		0	248,207
Maintenance Expenses - Motor Vehicle	200,000	0		200,000		0	200,000
Other Committee expenses	319,602	0		319,602		200,000	119,602

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

Total	1,367,809		0	1,367,809	350,000	1,017,809
13.0 Other payments				0		0
NG-CDF office	309,764			309,764		309,764
Gem NG-CDFC Strategic plan	3,500,000			3,500,000		3,500,000
Total	3,809,764	0	0	3,809,764	0	3,809,764
14.0 unallocated fund						
Unapproved projects				0		0
Bar Sauri Mixed Secondary	1,000,000	0		1,000,000		1,000,000
Nyangulu mixed secondary school	2,500,000			2,500,000		2,500,000
AIA	0			0		0
PMC savings				0		0
Total	3,500,000	0	0	3,500,000	0	3,500,000
GRAND TOTAL	151,960,174	17,874,661	12,088,879	181,923,714	100,016,439	81,907,275

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

XIV. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Significant Accounting Policies continued

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalent.

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

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

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

12. Comparative Figures

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

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 30th 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.

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B140887		33,000,000
B105765		24,000,000
B105678		10,000,000
B105625		34,000,000
B132499		5,000,000
B164451		18,000,000
B128810		12,000,000
B154008		12,000,000
B155813		10,088,879
A888996		400,000
A888525		12,000,000
B185058	7,000,000	
B185598	15,000,000	
B185335	6,000,000	
B185886	5,000,000	
B206343	12,000,000	
B205729	12,000,000	
B207856	15,000,000	
B214261	16,000,000	
TOTAL	88,000,000	170,488,879

2. Proceeds From Sale of Assets

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

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3. Other Receipts

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

4. Compensation Of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,776,820	2,119,578
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance		90,950
Gratuity to contractual employees	800,673	696,632
Employer Contributions Compulsory national social security schemes	103,680	179,800
Total	3,681,173	3,086,960

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,859,050	2,138,725
Other committee expenses	1,227,200	1,404,000
Total	4,086,250	3,542,725

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Notes To the Financial Statements (Continued)

6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	9,450	1,880,661
Communication, supplies and services	412,800	-
Domestic travel and subsistence	560,800	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,172,500	736,800
Hospitality supplies and services	433,700	-
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	100,000	349,300
Fuel , oil & lubricants	708,220	231,783
Other operating expenses	-	295,500
Bank Charges	118,942	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	537,604	367,212
Routine maintenance- other assets	-	-
TOTAL	5,054,016	3,861,256

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	22,650,000	47,476,000
Transfers To Secondary Schools (See Attached List)	21,750,000	28,650,000
Transfers To Tertiary Institutions (See Attached List)	-	11,000,000
Total	44,400,000	87,126,000

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Notes To The Financial Statements (Continued)

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	24,430,000	26,835,099
Bursary -Tertiary (see attached list)	3,770,000	11,920,000
Bursary- Special Schools	170,000	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	3,600,000	3,600,000
Security Projects (see attached list)	2,400,000	6,820,500
Sports Projects (see attached list)	-	4,090,000
Environment Projects (see attached list)	-	2,319,000
Emergency Projects (see attached list)	8,075,000	6,716,380
Roads Projects	-	-
TOTAL	42,445,000	62,300,979

9. Acquisition Of Assets

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

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Notes To The Financial Statements (Continued)

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	350,000	-
Other COC expenses	-	-
TOTAL	350,000	-

11. Other Payments

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

12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Co-operative Bank Bank, Account No. 01141256320000 (Main account)</i>	5,215,672	17,874,661
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	5,215,672	17,874,661
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

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Notes To the Financial Statements (Continued)

13. Outstanding Imprests

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

14. Retention and Gratuity

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

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	1,480,560	783,928
Gratuity held during the year (B)	800,673	696,632
Gratuity paid during the Year (C)	1,443,223	-
Closing Gratuity as at 30 th June D= A+B-C	838,010	1,480,560

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Notes to the Financial Statement Continued

15. Fund Balance B/F

	(2022/2023)	(2021/2022)
	Kshs	Kshs
Bank accounts	17,874,661	5,823,142
Cash in hand	-	-
Imprest	-	-
Total	17,874,661	5,823,142
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	17,874,661	5,823,142

16. Fund Balance B/F

	(2022/2023)	(2021/2022)
	Kshs	Kshs
Bank accounts	17,874,661	5,823,142
Cash in hand	-	-
Imprest	-	-
Total	17,874,661	5,823,142
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	-	-

17. Prior Year Adjustments

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

** The adjusted balances are not carried down on the face of the financial statement.

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(Entity to provide disclosure on the adjusted amounts)

18. Changes In Accounts Receivable – Outstanding Imprests

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

19. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	1,480,560	783,928
Deposit and Retentions held during the year (B)	800,673	696,632
Deposit and Retentions paid during the Year (C)	1,443,223	-
closing account payables D= A+B-C	838,010	1,480,560
Net changes in accounts payables D-A	(642,550)	696,632

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Notes To the Financial Statements (Continued)

20. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	838,010	696,632
Others (<i>specify</i>)	-	-
Total	838,010	696,632

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	6,693,472	6,085,498
Committee expense	1,423,886	-
Use of goods and services	2,522,335	4,115,001
Amounts due to other Government entities (see attached list)	40,251,606	11,341,606
Amounts due to other grants and other transfers (see attached list)	22,684,697	7,724,803
Acquisition of assets	-	-
Oversight Committee Expenses	1,017,809	-
Other Payments (<i>specify</i>)	3,809,764	-
Funds pending approval	3,500,000	-
Total	81,903,569	29,266,908

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19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)		
Total	12,362,076	6,487,772

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XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees	Payment of staff salaries	6,693,472	6,034,857	
Use of goods & services	Purchase of goods and services	532,517	56,220	
Committee allowances	To carter for CD/FC allowances	65,000	36,135	
Sub-total		7,290,989	6,127,212	
Monitoring and evaluation				
Capacity building	Payment of training expenses	1,007,866	1,660,366	
Committee allowances	Payment of committee field allowances	895,075	561,275	
Use of goods and services	Payment of purchase of goods and services used in the field	1,449,469	1,801,005	
Sub-total		3,352,410	4,022,646	
Amounts due to other Government entities				
Primary Schools				
Odok Rera Primary School	Fencing of school compound	200,000	200,000	
Sirandu Primary school	Renovation of 3 classrooms	1,200,000		
Regea Primary school	Renovation by tilling of 2 classrooms	300,000		
Kambare Primary School	Renovation by tilling of 2 classrooms	300,000		
Lundha primary school	Renovation of 6 classrooms	800,000		
Wangoji Primary school	Completion of administration block	500,000		
Kagilo Primary school	Ceiling and electrical works of administration block	500,000		
Gongo Primary school	Renovation of 3 classrooms	1,200,000		
Nango Gonda Primary school	Fencing of school compound	610,000		
Uganga primary school	Purchase of school land	700,000		

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Urarni primary school	Purchase of school land	700,000		
Sub-Total		7,010,200	200,000	
Secondary school				
Sagam mixed secondary school	Purchase of land	1,000,000		
B.A Ohanga Secondary school	Renovation of twin science laboratory	2,000,000		
Sinaga girls secondary school	Completion of administration block	1,000,000		
Yala Township Secondary	Construction of administration block	2,000,000		
Malele Mixed Secondary school	Completion of administration block	2,800,000		
Apuoyo mixed secondary school	Renovation of laboratory	1,500,000		
Nyasidhi Mixed Secondary school	Completion of administration block	300,000		
Kaudha mixed Secondary school	Completion of laboratory	500,000		
Nyanguu Secondary school	Completion of computer laboratory	1,000,000		
Nyaminia Mixed secondary school	Drilling of bore hole	2,500,000		
St. Peters Wagai Mixed Secondary school	Drilling of bore hole	2,500,000		
Nyanguu secondary school	Purchase of school bus	7,141,606	7,141,606	
Sub -total		25,741,606	7,141,606	
Tertiary institutions				
Apuoyo TTC	Purchase of land	4,000,000	4,000,000	
Rera KMTC	Completion of administration block	1,000,000		
Rera KMTC	Drilling of a bore hole	2,500,000		
Sub -total		7,500,000	4,000,000	
Amounts due to other grants and other transfers				
Emergency	Payment for emergency projects	827	475,827	
Primary Schools	Payment for emergency projects	0		

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Secondary schools	Payment for emergency projects	0		
Tertiary institutions	Payment for emergency projects	0		
Unutilised		36,190		
Sub-total		37,017	475,827	
Secondary Schools	Payment of bursary to needy students	930,436	2,778,976	
Tertiary Institutions	Payment of bursary to needy students	11,110,000	-120,000	
Social Security	Payment of NHIF to vulnerable 600 beneficiaries	3,600,000	3,600,000	
Special Needs	Payment of bursary to needy students	775,000	945,000	
Sub-total		16,415,436	7,203,976	
Sports				
Sports	Organizing for constituency tournament	2,582,243	45,000	
	Organizing for regional tournament	350,000		
Sub- total		2,932,243	45,000	
Environment				
Sirodha Primary school	Supply and installation of 10,000 litres water tank	150,000		
Masene Primary school	Supply and installation of 10,000 litres water tank	150,000		
Mutumbu Primary school	Supply and installation of 10,000 litres water tank	150,000		
Nyabeda Primary school	Supply and installation of 10,000 litres water tank	150,000		
St. Peters Wagai mixed secondary school	Supply and installation of 10,000 litres water tank	150,000		
Apuoyo Mixed Secondary school	Supply and installation of 10,000 litres water tank	150,000		
St. Marks Kagilo Secondary	Supply and installation of 10,000 litres water tank	150,000		
Gongo Warom Mixed secondary	Supply and installation of 10,000 litres water tank	150,000		

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
school	litres water tank			
Bar Sauri mixed secondary	Supply and installation of 10,000 litres water tank	150,000		
Nyabeda Secondary school	Supply and installation of 10,000 litres water tank	150,000		
Bar Kalare Primary	Supply and installation of 10,000 litres water tank	150,000		
Kagilo primary school	Supply and installation of 10,000 litres water tank	150,000		
Nango Gonda Primary School	Supply and installation of 10,000 litres water tank	150,000		
Mutumbu Administration Camp	Police Supply and installation of 10,000 litres water tank	150,000		
Sub-total		2,100,000	-	
Yala Deputy County Commissioner's Residence	Renovation of staff houses	250,000		
Gem Yala Administration police Commandant Office	Construction of Amory	350,000		
Rarnula Administration Police (AP)'s Camp	Renovation of staff houses	600,000		
Sub-total		1,200,000		
Oversight Committee Expenses (itemize)				
	Constituency Oversight Committee allowances	120,000		
	Hire of Transport	330,000		
	Refined fuels and lubricants for NG-CDF Vehicle	248,207		
	Maintenance Expenses - Motor Vehicle	200,000		
	Other Committee expenses	119,602		
Sub-total		1,017,809	-	

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Others (<i>specify</i>)				
NG-CDF office	Renovation of NG-CDF office	309,764		
Gem NG-CDFC Strategic plan	Preparation of strategic plan	3,500,000		
Sub-Total		3,809,764	-	
Funds pending approval				
Bar Sauri Mixed Secondary	Purchase of school land	1,000,000	-	
Nyangulu mixed secondary school	Additional Purchase for school bus	2,500,000	-	
Sub Total		3,500,000		
Grand Total		81,907,275	29,266,908	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-			0
Buildings and structures	5,653,100			5,653,100
Transport equipment	7,737,095			7,737,095
Office equipment, furniture and fittings	297,824			297,824
ICT Equipment, Software and Other ICT Assets	310,000			310,000
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets	-			0
Total	13,998,091			13,998,091

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

NO.	PMC NAME	Account number	Bank	Date A/C Openend	Bank Balance 2022/23	Bank Balance 2021/22
1	Kambare Secondary school	01141624731800	Co-operative Bondo	18/04/2014	7421.15	6,421.15
2	Kaudha mixed secondary school	01141624654700	Co-operative Bondo	03/03/2017	11584.40	11,584.40
3	Sirodha Primary school	01141740896100	Co-operative Yala	04/06/2021	17475.00	12,567.00
5	Bar Turo Primary school	01141517871000	Co-operative Yala	07/11/2014	6,267.55	606,268
7	Gongo Warom Mixed secondary school	01141517515600	Co-operative Yala	09/11/2013	2,773	2,773.00
8	Kanyilaji Primary school	01141740237200	Co-operative Yala	25/05/2017	655,171.00	2,315.00
9	Ligoma Primary School	01141517873500	Co-operative Yala	11/11/2014	176,089.85	3,456.00
10	Luri Mixed Secondary school	01141517459100	Co-operative Yala	14/10/2023	2,015,072	23456
11	Malanga Division Assistant County Commissioner's staff house	01141824049100	Co-operative Yala	27/03/2023	84,875	0
12	Ndere AP Camp	01141740500100	Co-operative Yala	18/10/2018	1,877.00	2,098.00
13	Ndere Mixed Secondary school	01141740880000	Co-operative Yala	21/04/2021	1,914.87	758,479.87
14	Nyabeda Primary School	01141256463100	Co-operative Yala	28/11/2021	822,099.00	15,632.00
15	Nyamminia Secondary School	01141517986000	Co-operative Yala	08/05/2015	1,000,473.50	0.00

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16	Regega Primary School	01141517877400	Co-operative Yala	18/11/2014	1,260.50	1,260.50
17	Siala Assistant Chief Office	0114182406300	Co-operative Yala	26/04/2023	37,418	0
18	Sidada Primary school	01141517724600	Co-operative Yala	26/05/2014	6,944.50	5,620.00
19	Sirembe Primary school	01141257487600	Co-operative Yala	15/04/2014	60,012.50	15,380
20	St. Paul's sirwo mixed secondary school	01141517948500	Co-operative Yala	09/03/2015	166,879.50	36,920.50
21	St. Peters Waggai Mixed Secondary school	01141517499700	Co-operative Yala	30/12/2015	8,759	0
22	Unami Primary	01141517237800	Co-operative Yala	30/05/2016	2,780	0
23	Uyonga Primary school	01139013518701	Co-operative Yala	07/04/2009	8,573.50	503573
24	Waggai Primary school	01141256343100	Co-operative Yala	15/09/2011	2,265	2265
25	Wangoji Primary school		Co-operative Yala			
26	Yala Township Primary	01141517985900	Co-operative Yala	08/05/2015	1,001,393.50	0
27	Gongo Primary	01141256395100	Co-operative Yala	14/10/2011	76,078	3378
28	Got Kokwiri Primary	01141740060900	Co-operative Yala	12/07/2016	109.5	1134.5
29	Mallera Primary school	01141740146400	Co-operative Yala	15/12/2016	21,526	21526
30	Migosi Primary	0114174454800	Co-operative Yala	28/08/2018	3,692	3692
31	Musembe Primary	01141740060500	Co-operative Yala	12/07/2016	1,293.50	1293.5
32	Mutumbu Primary School	01141517725400	Co-operative Yala	27/05/2014	2,061.50	2061.5

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33	Mwadi Primary School	01141517994400	Co-operative Yala	18/05/2015	2,627.50	2627.5
34	Ndegwe Primary	01141256402600	Co-operative Yala	25/10/2021	34,860	34860
35	Nyapiedho Primary	01141517989500	Co-operative Yala	26/05/2015	3,412.50	3412.5
36	Nyawara Primary	01141740104500	Co-operative Yala	19/09/2016	43,447	43447
37	Sawagongo AP Camp	01141740474400	Co-operative Yala	14/08/2014	325.00	325
38	Sirandu Primary	01141517735300	Co-operative Yala	05/06/2014	4,101	4101.5
39	St Teresas Yala	01141740687700	Co-operative Yala	08/02/2020	432,824	511,986.90
40	Uganga Primary School	01141517913200	Co-operative Yala	22/01/2015	267.9	27,067.50
41	Onyinyore Primary school	01141740888800	Co-operative Yala	12/05/2021	2,905,475	0
42	Bar Kawandu Primary	01141740879100	Co-operative Yala	23/04/2021	10,526	0
43	Kojuok Primary	09114174045260 0	Co-operative Yala	28/06/2018	189,346	11,101
44	Ulamba Primary	01141517989400	Co-operative Yala	18/05/2015	226.85	0
45	St.Barnabas Anyiko mixed sec.	01141517719800	Co-operative Yala	20/05/2014	717	0
46	Yala AP Camp	01141740450400	Co-operative Yala	27/06/2018	4,450	0
47	Lundha primary school	01141740324901	Co-operative Yala	07/11/2019	52,567	4321
48	B.A Ohanga secondary school	1103802208	KCB luanda	23/04/2021	4,499	4499
49	Bar-Kalare Primary school	1129926737	KCB Luanda	28/06/2018	103	2285
50	Dhene secondary school	1111958076	KCB Luanda	08/05/2015	0	2880.1

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51	Horace Ongili secondary school	1111442932	KCB Luanda	10/05/2014	25,730	32795
52	Nyasidhi Mixed secondary school	117842584	KCB Siaya	24/06/2018	15,000	2311
53	St. Marks Kagilo Secondary		KCB Siaya	14/07/2021	5,461	5461
54	Sagam Mixed Secondary school.	1183723563	KCB Yala	42,147	7,935	0
55	Wangu Primary school	1.12028E+12	Equity Luanda	26/01/2022	2,000	21530
56	ArgwingsKodhek Secondary school	1120279547497	Equity Luanda	13/01/2020	132,800.50	0
57	Bar Sauri mixed secondary	1120279143485	Equity Luanda	21/08/2019	53,088	0
58	Bar-Sauri Primary	1120296233392	Equity Luanda	05/10/2010	0	2227
59	Dhene Primary school	1120262520110	Equity Luanda	13/06/2014	5,980	5980.5
60	Gamba TFI PMC	1120280187887	Equity Luanda	13/10/2020	77,855	927,865
61	Gem NG-CDF Sports PMC	1120277537532	Equity Luanda	14,8/2018	50,857	50857.65
62	Kagilo Primary School	1120277585372	Equity Luanda	31/08/2018	2,850	23456
63	Kanyadel Primary school	1120280050957	Equity Luanda	27/08/2020	60,627.50	627.5
64	Kaundha Primary	1120277585418	Equity Luanda	31/08/2018	39,730	39730
65	Kaumeri Primary	1120278837137	Equity Luanda	03/05/2019	2,400	24,000
66	Kotoo Primary school	1120277347217	Equity Luanda	13/06/2018	7,282.50	0
67	Kudho Primary school	1120280135567	Equity Luanda	23/09/2020	0	0
68	Lihanda Mixed Sec.	1120297956004	Equity Luanda	16/09/2021	345	345
69	Malele Mixed Secondary school	1120280235051	Equity Luanda	29/10/2020	47,498	47498
70	Malele Primary	1120277585348	Equity Luanda	31/08/2018	1,205	1205
71	Maliera Boys secondary school	1120297481800	Equity Luanda	16/06/2021	45,777	2314
72	Ming'awo Primary	1120279064126	Equity Luanda	23/07/2019	19,760	19762
73	Mulhanda Primary school	1120279468184	Equity Luanda	11/12/2019	1,248	1247
74	Mundo Ware primary		Equity Luanda	07/08/2019	3,262	3241
75	Mutumbu Administration Police Camp	1120279101947	Equity Luanda	23/11/2020	150,947.50	947

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76	Mutumbu Girls Secondary	1120277679937	Equity Luanda	27/08/2018	492,095.50	60095
77	Nango Gonda Primary School	1120277538018	Equity Luanda	15/08/2018	43,739	28,696
78	Nyangondo Primary	1120277345753	Equity Luanda	12/6/1/2018	25,800.50	25,800.50
79	Nyangulu Mixed	1120279101557	Equity Luanda	06/08/2019	24,241	23560
80	Nyangulu Primary	1120279063818	Equity Luanda	23/07/2019	81,691	32399
81	Nyasidhi Primary	1120279058561	Equity Luanda	22/07/2019	53,260	53260
82	Odendo Primary	1120279075798	Equity Luanda	27/07/2019	57,093	57093
83	Olengo Primary	1120279170588	Equity Luanda	22/08/2019	3,000	3000
84	Onding Primary	1120279174021	Equity Luanda	23/08/2019	1,538	1538
85	Opal Primary school	'970294435345	Equity Luanda		8,940	852,521.00
86	Oseno Primary	1120278863471	Equity Luanda	14/05/2019	3,993	3993
87	Ramula Administration Police (AP)'s Camp	1120277654040	Equity Luanda	24/09/2018	600,455	455
88	Omino Primary	1120277559139	Equity Luanda	23/08/2018	1,320	1320
89	Sinaga girls secondary school	1120298202738	Equity Luanda	19/10/2021	202,530.50	34521
90	St. Bonface Aluor Mixed primary School	1120280088997	Equity Luanda	10/9/20202	2,760	2760
91	Ulamba Ass. Chief	1120279063437	Equity Luanda	23/07/2019	1,349	1349
92	Uthanya Secondary School	1120277396264	Equity Luanda	29/06/2018	257	21,589
93	Wambusa Primary school	1.12028E+12	Equity Luanda	31/08/2018	3,273	32123
94	Yala Police Station	1120279246729	Equity Luanda	17/09/2019	7,087	7087
95	Kaudha West assistant chiefs office	970282861530	Equity Siaya	05/07/2022	2,000	0
96	Malunga Mixed Secondary school	970279117601	Equity Siaya	27/01/2021	7,521	45,340
97	Nguge Assistant Chief's Office	970281038640	Equity Siaya	06/07/2021	2,100	261005
98	Uhonya Primary school	970299772983	Equity Siaya	04/10/2012	8,499	488,799.45
99	Rera KMTC	1120279359201	Equity Luanda	31/10/2019	88,983	0
	TOTAL				12,362,076.47	6,487,772.47

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)
2	<p>The assets register as at 30 June 2022 included five (5) motorcycles valued at Kshs. 598,000 whose physical verification and mechanical report had indicated that they were uneconomical to repair but had not been disposed by the Fund.</p>	<p>It is true that the motorcycles were recommended for disposal since they were uneconomical to repair however they have not been disposed to date. The process of disposal had started and we are waiting for the response from the NG-CDF Board since we had informed them on the same.</p>	Not resolved	30 th December 2023

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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	Delay in Projects Implementation	It is true that the mentioned projects were completed after the set completion date. The project implementation slightly delayed due to delayed funding from the NG-CDF Board. At the moment, all the projects listed above are complete and are in use. (See the attached completion certificates and project photos).	Resolved	Resolved



Naphtally Mulesi Ochuma
Name
Fund Account Manager.