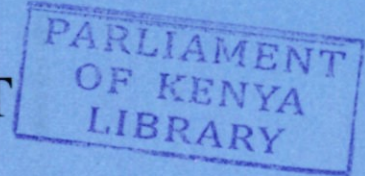


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



THE NATIONAL ASSEMBLY OF
PAPERS LAID

DATE: 14 AUG 2024 DAY.

THE AUDITOR-GENERAL

TABLED
BY:

Hon. OWEN BAYA, MP
DEPUTY LEADER OF THE
MAJORITY PARTY

CLERK-AT
THE-TABLE:

ESTHER NJINYO ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – OTHAYA
CONSTITUENCY**

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



OTHAYA 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)

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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund
COC- Constituency oversight committee
PFM-Public Finance Management
IFSAS- International Public Sector Accounting Standards.
PMC- Project Management Committee
FY-Financial Year
ARM-Audit and risk management
NGCDFC –National Government constituency development fund committee

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

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

Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	John Ngatia
2.	Sub-County Accountant	Teresa Macharia
3.	Chairman NGCDFC	Joseph Gachihi Ngugi

(c) Fiduciary Oversight Arrangements

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

P.O. Box -85 10106
Othaya NG CDF Building
Kanyange road
Othaya, KENYA

(e) Othaya Constituency NGCDF Contacts

Telephone: (254) 728210024
E-mail: othayacdf@gmail.com
Website: othaya.ngcdf.go.ke

(f) OTHAYA Constituency NGCDF Bankers

KCB Bank
Othaya Branch
P.O.Box 85-10106
Othaya Kenya

(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



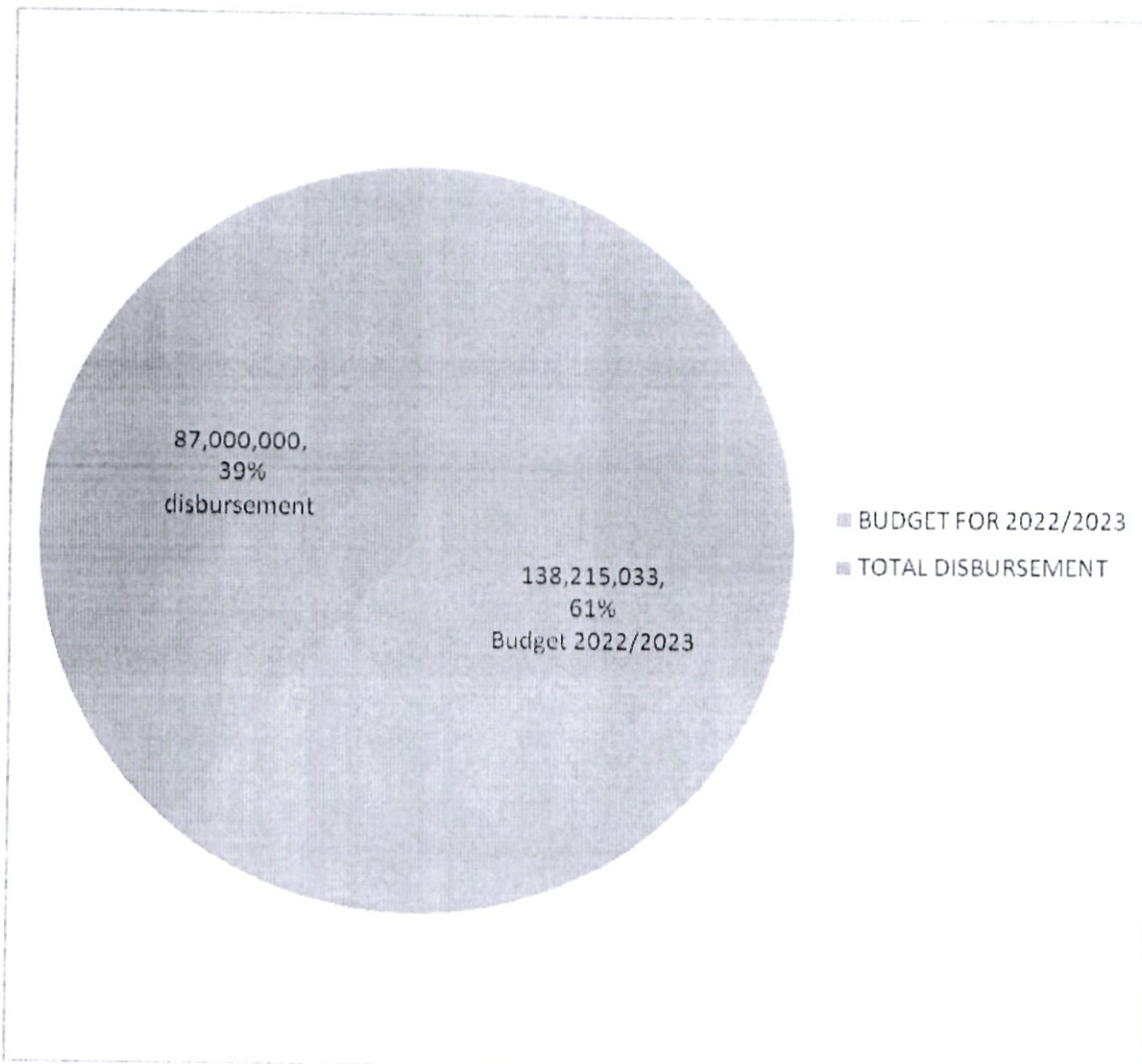
Joseph Gachihi Ngugi

On behalf of the Constituents and the NG-CDF OTHAYA Office, it's my utmost honour and privilege to present the financial report for the year ended 30th June 2023.

During the financial year 2022/2023 the management had a total budget of Ksh.138,215,033 and the balance brought forward from the previous year(2021/2022) amounting to ksh38,324,349. However, the management received Ksh.87,000,000 which was part of allocation for the financial year from the NG CDF Board. There was late disbursement of funds from the NGCDF board and hence the low utilisation of funds.

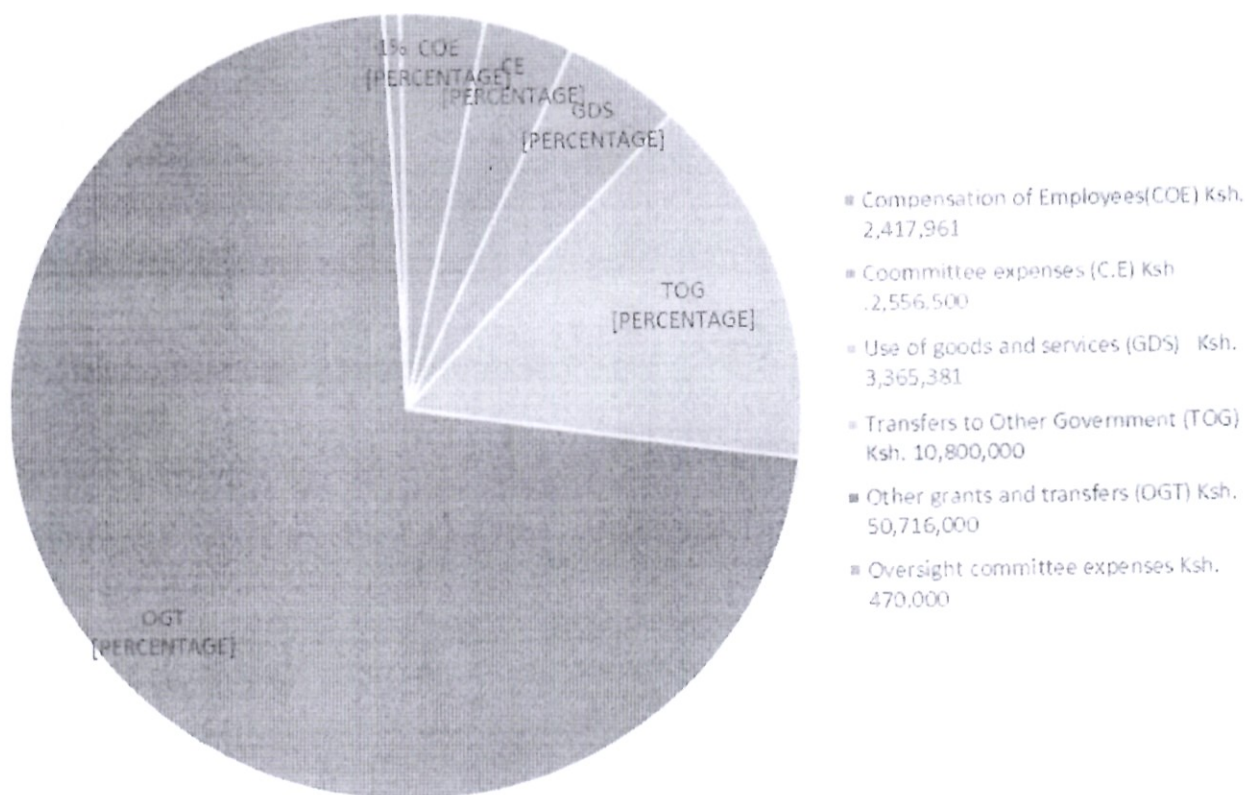
PIECHART SHOWING TOTAL BUDGET FOR 2022/2023 COMPARED TO WHAT WAS DISBURSED

BUDGET FOR 2022/2023	TOTAL DISBURSEMENT
138,215,033	87,000,000



PIECHART SHOWING ACTUAL UTILIZATION PER VOTEHEAD

VOTEHEADS	ACTUAL UTILIZATION KSH
Compensation of Employees (COE)	2,417,961
Committee expenses (C.E)	2,556,500
Use of goods and services(GDS)	3,365,381
Transfers to Other Government Units(TOG)	10,800,000
Other grants and transfers(OGT)	50,716,000
Oversight committee expenses	470,000



During this financial year 2022/2023, the NG CDF Othaya managed to complete and implement a good number of projects from financial year 2022/2023. This was made possible by good cooperation between the NG CDF Committee, the PMCs and other stakeholders. The projects mainly included bursaries

Othaya NGCDF PERIMETER WALL

NG OTHAYA cdf is constructing a perimeter wall around the NGCDF offices to enhance security



CHALLENGES ON PROJECTS IMPLEMENTATION

Late disbursement of funds: sometimes treasury disburses funds toward the closure of the year which make the constituency to have huge amount of money as closing balances since there is no enough time to procure.



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**Name: Joseph Gachihi Ngugi
CHAIRMAN NGCDF COMMITTEE**

IV. Statement of Performance against Predetermined Objectives for FY2022/2023

Introduction

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

The key development objectives of *Othaya Constituency 2018-2022* plan are to:

OBJECTIVES OF OTHAYA CONSTITUENCY STRATEGIC PLAN

- a. Promotion of education, learning and training
- b. Enhance administration and security
- c. Promotion of sports and creative talent
- d. Protection of environment
- e. Prudent use of public resources

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:

sector	Objective	Outcome	Indicator	Performance
<i>Education</i>	<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 built in primary(, secondary and equipped at number of bursary’s beneficiaries at all levels</i>	<i>In FY 2022/23 - -During the year the constituency supported needy students by issuing of bursaries that benefited the students.</i>
<i>Security</i>	<i>Enhance administration and security</i>	<i>To enhance security</i>	<i>Construct more police housing units and renovation of their facilities</i>	<i>During the F/y 2022/23 we were to construct Karuthi AP post staff houses which is to be done in f/y 2023/2024 due to late disbursement of funds.</i>
<i>Environment</i>	<i>Water harvesting</i>	<i>To ensure environmental sustainability</i>	<i>Purchase of 10,000 litres water tanks and installation of gutters to</i>	<i>During the F/y 2022/23 we were to Purchase</i>

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

			<i>different institutions</i>	<i>10,000 litres water tanks which will be done in f/y 2023/2024 due to late disbursement of funds.</i>
<i>Sports</i>	<i>Promotion of sports and creative talent</i>	<i>To mentor youth through sports</i>	<i>Procure set of uniforms and sporting kits</i>	<i>not implemented due to late disbursement of funds</i>
<i>Emergency</i>	<i>To cater for any unforeseen events</i>	<i>To enhance better service delivery</i>	<i>To be reallocated to different projects</i>	<i>During the F/y 2022/23 services were enhanced to residents.</i>

V. Statement of Governance

PROCESS OF APPOINTMENT OF NG OTHAYA CDFC MEMBERS

- . For a Person Living with Disability, the Fund Account Manager shall write to a registered group representing persons with disabilities in the constituency requesting for nomination of one person with disability to sit in the NG-CDF committee. The nominating organization shall be required to provide specific description of the kind of disability to enable the board and NG-CDF Committee to plan for necessary support to facilitate full participation of the nominee in various activities of the fund.
 - . Invite applications from interested and Qualified members of the public for appointment to the Constituency Committee. The invitation shall be widely publicized to reach all parts of the constituency.
 - . The selection panel consider the applications and select four suitable persons taking into account age, gender, special interest groups and regional balance.
 - . Obtain from the Constituency Office Manager via a formal written communication names of two nominees to the NG-CDF Committee, one being of either gender, for avoidance of doubt, the nominees under this paragraph shall not include persons who sat in the selection panel at any point of the current selection process.
 - . Submit the list of seven nominees (four recommended by the selection panel, one nominated by registered group representing persons with disabilities in the constituency office) to the Board within seven days of the selection process.
 - . Ensure the original report of the Selection Panel duly signed by all members of the Panel, original letter from the Constituency Office Manager forwarding two nominees to the NG-CDF Committee one being of either gender, original letter and copies of minutes of the meeting of the body nominating person with disability to NG-CDF Committee, copies of National Identity Cards of all the nominees (certified as true copy of the original by the Fund Account Manager), the long – listing and short listing criteria, and three colour passport-size photographs of each of the respective nominees (stamped and signed at the back by the Fund Account Manager) are attached to the list submitted to the Board.
 - . For avoidance of doubt, the two persons to be nominated by the Constituency Office to sit in the selection panel and the two persons nominated by the same office to sit in the NG-CDF Committee shall be drawn from Community and not serving public officers, Fund Account Managers are required to ensure that this is strictly adhered to.
- IX. After appointment of members of the NG-CDF Committee through publication in the Kenya Gazette the parliament, the Deputy County Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG-CDF Committee during which the members will elect the Chairman and the Secretary.
- X. The Fund Account Manager will then submit to the Board the names of the elected Chairman and Secretary, attaching a certified copy of form four certificates and the academic certificate for the highest level of education attained and the minutes of the NG-CDF Committee meeting that approved the appointments.

REMOVAL OF NG CDFC MEMBERS

A member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity
- (b) Gross misconduct
- (c) Embezzlement of public funds

- (d) Bringing the committee into disrepute through unbecoming personal public conduct
- (e) Promoting unethical practises
- (f) Causing disharmony within the committee
- (g) Physical or mental infirmity

The members of a Constituency Committee may remove a member in accordance with section 43 (13) and (14) of the Act upon Conflict /complain against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complain referred to 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 complain, but the member against whom the complain is raised shall not participate in such a meeting. If, at a meeting held pursuant to above paragraph, members determine that sufficient grounds exist requiring the member against whom the complain 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 complain within fourteen days of the date of the notice. A copy of the complain and any other grounds of removal shall be attached to the notice issued under above .The member against whom the complain is raised may be required to respond to the complain in writing. The member against whom a complaint is raised may, in addition to the written response required, 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. The Constituency Committee may summon the member against whom the complain is made to clarify any issue, and such member shall attend the hearing. Kenya Subsidiary Legislation, 2016 1955 If the member against whom a complaint is made fails to respond to the complain 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 complain within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complain 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 above paragraph shall include duly executed proceedings, together with all the supporting documents. The Board shall, within thirty days after receipt of the communication, consider the matter and issue a final declaration which shall be binding on all parties. NG-CDFC Othaya has other sub committees which include conflict resolution committees, bursary committee and constituency oversight committee.(COC)

The functions of a Constituency Committee shall be to –

- i) To consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency.
- ii) To ensure that project proposals submitted to the NGCDF Board include detailed budget proposals, procurement plans and work plans.
- iii) To rank projects proposals in order of priority while ensuring that on-going projects take precedence.
- iv) To ensure that all projects receive adequate funding and are completed within three years.

- v) To consult with relevant government departments to ensure that cost estimates for projects are realistic.
- vi) 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.
- vii) To build the capacity of project management committees and sensitize the community on the operations of National Government Constituency Development Fund.
- viii) To ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board.
- ix) To monitor implementation of projects in accordance with the monitoring and evaluation framework prescribed by the NGCDF Board.
- x) To ensure that project reports are prepared and submitted to the NGCDF Board.
- xi) To ensure formation of project management committees, opening of project accounts, project implementation and closure of projects.

Induction process for NG- CDF committee members

Appointment and Notification

Orientation Workshop is held

Given Legal and Regulatory Framework

Their Roles and Responsibilities are given to them

Trained on Project Management and Procurement

Trained on Financial Management

Continuo's training

TRAINING OF NGCDFC MEMBERS

The current NG CDF Committee was gazette in the Kenya gazette on 29th November 2022 and were first inducted by the Fund Account Manager through an on job training and were later inducted in April 2023 through a five days' workshop organized by the NG –CDF BOARD at mountain breeze Hotel Embu. During the workshop it was made clear that no conflict of interest will be allowed during the committee operations. In the event that any member has any personal interest, this must be declared.

Ongoing Training: After the initial induction, NG-CDF committee members normally have continuous training opportunities to stay updated on changes in policies, regulations, and best practices. Committee also had a workshop organized by the constituency to enlighten them more at the reef Hotel Mombasa

NO. Of meetings held

During the financial year 2022/2023 the NG CDF OTHAYA conducted seventeen meetings. During this meeting the chairperson was given a Sitting allowance of ksh 7,000 and the other Committee members were given a sitting allowance of ksh 5,000 each. During their operations the

members are required to conduct themselves in an ethical manner so that they could meet the constituents' needs efficiently and effectively hence to meet the goals and objectives of NGCDF. We also held one meeting for selection panel committee.

Policy on conflict of interest

This will require Committee members who have a conflict of interest to excuse themselves from discussion and any voting associated with those measures.

Member's remuneration

Chairperson is given an allowance of ksh 7,000 per sitting while the rest earn ksh5, 000 each.

Responsible competition practice by encouraging fair competition and zero tolerance to corruption
Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.

Responsible marketing and advertisement

Product stewardship by safeguarding consumer rights and interest

VI. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

NG CDF OTHAYA had planned to purchase 10,000 litre water tanks and installation of water gutters for water harvesting

During the tournament organised in the constituency, youths were sensitized on drug abuse and informed on realising their talents which can keep them busy and free from drugs.

3. Employee welfare

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

Othaya 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-

Othaya NGCDF has endeavoured to sustain community engagement through corporate social responsibility (CRS) 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.

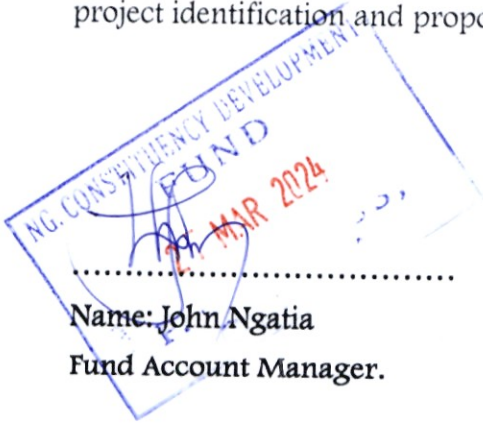
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



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Name: John Ngatia
Fund Account Manager.

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

Approval of the financial statements

The NGCDF-OTHAYA Constituency financial statements were approved and signed by the Accounting Officer on _____ 2023.

.....
Name: Joseph Gachihi Ngugi
Chairman – NGCDF Committee



.....
Name: John Ngatia
Fund Account Manager

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – OTHAYA 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 – Othaya Constituency set out on pages 1 to 40, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and summary statement of

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

appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Inaccuracies in the Fixed Asset Balance

Annex 4 to the financial statements reflects summary of fixed assets register balance of Kshs.42,074,866, while the asset register provided for audit reflects Kshs.10,393,990 resulting to an unexplained variance of Kshs.31,680,876. In addition, land on which the Fund's office is located has no ownership documents.

In the circumstances, the accuracy, completeness and ownership of the assets could not be confirmed.

2. Unsupported Project Management Committee Account Balance

Note 19.4 and Annex 5 to the financial statements reflect PMC account balances of Kshs.15,609,528. However, cash books and bank reconciliation statements were not provided for audit review. In addition, review of the schedules provided for audit revealed Project Management Committee account balances held for more than one year of Kshs.1,587,801. This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which require that, all unutilized funds of the Project Management Committee be returned to the constituency account.

In the circumstances, the accuracy and completeness of the PMC account balances of Kshs.15,609,528 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 – Othaya Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.176,598,382 and Kshs.125,383,349 respectively resulting to an under-funding of Kshs.51,215,033 or 29% of the budget. Similarly, the Fund spent a balance of Kshs.70,325,842 against actual receipts of Kshs.125,383,349 resulting to an under-utilization of Kshs.55,057,507 or 44% of the amount received.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Other Matter and Report on Lawfulness and Effectiveness in Use of Public Resources. Management has not resolved the issues. This is contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officer to take appropriate measures to resolve any issues arising from audit which may remain outstanding. Management has not provided satisfactory explanation for the delay in resolving the issues. In addition, the status of all the prior audit issues has not been disclosed in Annex 6 to the financial statements on progress on follow up of auditor's recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of Approved Work and Procurement Plans

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflects transfer to other Government units of Kshs.10,800,000. The amount was transferred to a total of six (6) primary schools, secondary schools and tertiary

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

institutions for construction of classrooms and ICT Hub. However, the approved work and procurement plans were not prepared contrary to Regulation 25(1) of the National Government Constituencies Development Fund, Regulations, 2016 which requires the officer of the Board seconded to the Constituency to prepare a detailed budget, procurement plan and work plan for the year, for the National Government Constituencies Development Fund Committee Office, and to within the first quarter of a new financial year, present them to the Committee for approval.

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

2. Projects Management

Review of the project implementation status report as of 30 June, 2023 revealed that eighty- Seven (87) projects with funding allocation of Kshs.72,424,789 were approved for implementation in the year under review. The following unsatisfactory issues were noted:

2.1 Incomplete Project

One project with funding allocation of Kshs.1,500,000 was incomplete and the contractor was not on site. In addition, physical inspection of the project in March, 2024 revealed that the PVC rain water disposal pipes, catalina chairs without armrest, 8 ways reading stations, library wall shelves of 2400x300x2000mm high in veneered block and 40x40x2mm thick were all not in place.

2.2 Project Funded but not Implemented

Four (4) projects with funding allocation of Kshs.5,150,000 were sampled for physical verification during the month of March, 2024. However, the projects implementation had not started despite the funds having been disbursed to the projects.

In addition, Witima ICT Hub and Mahiga ICT Hub funded at a cost of Kshs.900,000 each had not received their funding in their respective Project Management Committee accounts due to delayed opening of the projects' accounts.

In the circumstances, the public may not have realized value for money spent on these projects.

3. Lack of Official Appointment of Co-opted Bursary Sub-Committee Members

Information available indicate that during the year under review, the Fund engaged the Chiefs and the Sub-Chiefs and the church leader in the vetting of the education bursary without official appointments by the Accounting Officer. This was contrary to Board circular referenced NG-CDFB/CEO/BOARD/VOLII(021) dated 18 June,2020 on institutional structure for administration of bursary, paragraph 2 and 3 which provides for the sub-committee to co -opt in writing up to four (4) other persons drawn from the Government or the community to strengthen efficient decision making and their tenure of office for the members of the subcommittee shall be one year renewable.

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

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 which 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, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of a Risk Management Policy

The Fund did not have in place a Risk Management Policy to guide the Management on risk assessment and formulation of risk mitigation strategies in the year under review. This was contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to develop risk management strategies which include fraud prevention mechanism and internal control that builds robust business operations.

In the absence of a risk management, it has not been possible to confirm whether the internal controls built within the financial and operational systems were functioning as intended during the year under review.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

21 May, 2024

OTHAYA 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
RECEIPTS			
Transfers from NGCDF Board	1	87,000,000	190,477,858
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	59,000	33,000
TOTAL RECEIPTS		87,059,000	190,510,858
PAYMENTS			
Compensation of employees	4	2,417,961	3,118,497
Committee expenses	5	2,556,500	5,937,580
Use of goods and services	6	3,365,381	3,560,789
Transfers to Other Government Units	7	10,800,000	72,075,118
Other grants and transfers	8	50,716,000	93,006,989
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	470,000	-
Other Payments	11	-	4,495,716
TOTAL PAYMENTS		70,325,842	182,194,689
SURPLUS/DEFICIT		16,733,158	8,316,169

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 _____ 2023 and signed by:

Fund Account Manager

Name: John Ngatia

**National Sub-County
Accountant**

**Name: Teresa Macharia
ICPAK M/No:14996**

Chairman NG-CDF Committee

Name: Joseph Gachihi Ngugi

OTHAYA 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	54,965,676	38,324,349
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		54,965,676	38,324,349
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		54,965,676	38,324,349
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	327,353	419,184
NET FINANCIAL SSETS		54,638,323	37,905,165
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	37,905,165	29,588,996
Prior year adjustments	16	-	-
Surplus/Defict for the year		16,733,158	8,316,169
NET FINANCIAL POSITION		54,638,323	37,905,165

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 _____ 2023 and signed by:

Fund Account Manager

Name: John Ngatia

National Sub-County
Accountant

Name: Teresa W. Macharia
ICPAK M/No:14996

Chairman NG-CDF Committee

Name: Joseph Gachihi Ngugi

OTHAYA 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	87,000,000	190,477,858
Other Receipts	3	59,000	33,000
		87,059,000	190,510,858
Payments for operating activities			
Compensation of Employees	4	2,417,961	3,118,497
Committee expenses	5	2,556,500	5,937,580
Use of goods and services	6	3,365,381	3,560,789
Transfers to Other Government Units	7	10,800,000	72,075,118
Other grants and transfers	8	50,716,000	93,006,989
Oversight Committee Expenses	10	470,000	-
Other Payments	11	-	4,495,716
		70,325,842	182,194,689
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	(91,831)	419,184
Prior year Adjustments	16	-	-
Net Adjustments		(91,831)	419,184
Net cash flow from operating activities		16,641,327	8,735,353
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		16,641,327	8,735,353
Cash and cash equivalent at BEGINNING of the year	12	38,324,349	29,588,996
Cash and cash equivalent at END of the year		54,965,676	38,324,349

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 _____ 2023 and signed by:

Fund Account Manager

Name: John Ngatia

National Sub-County
Accountant

Name: Teresa W. Macharia
ICPAK M/No:14996

Chairman NG-CDF Committee

Name: Joseph Gachihi Ngugi

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

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	138,215,033	38,324,349	-	176,539,382	125,324,349	51,215,033	71%
Proceeds from Sale of Assets				0	-	-	0%
Other Receipts		59,000.00		59,000	59,000	-	100%
TOTAL RECEIPTS	138,215,033	38,383,349	-	176,598,382	125,383,349	51,215,033	71%
PAYMENTS							
Compensation of Employees	2,984,312	-	-	2,984,312	2,934,227	50,085	98%
Committee expenses	4,300,000	-	-	4,300,000	2,556,500	1,743,500	59%
Use of goods and services	5,121,292	1,785,932	-	6,907,224	2,849,115	4,058,109	41%
Transfers to Other Government Units	58,487,489	4,500,000	-	62,987,489	9,000,000	53,987,489	14%
Other grants and transfers	63,939,790	30,238,417	-	94,178,207	50,716,000	43,462,207	54%
Acquisition of Assets	-	-	-	-	-	-	0%
Oversight Committee Expenses	1,382,150	-	-	1,382,150	470,000	912,150	34%
Other Payments	2,000,000	1,800,000	-	3,800,000	1,800,000	2,000,000	47%
Unallocated funds	-	59,000	-	59,000	-	59,000	0%
TOTAL	138,215,033	38,383,349	-	176,598,382	70,325,842	106,272,540	40%

Explanatory Notes.

1. Most of the expenditures were below 90%, this was as a result of late disbursement of funds from NG CDF Board, and also as a result of fund that was disbursed toward the end of the financial year and therefore there were no time for its utilization.

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.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	106,272,540
Less undisbursed funds receivable from the Board as at 30th June 2023	51,215,033
	55,057,507
Add Accounts payable	(91,831.00)
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2022/2023	54,965,676

The Constituency financial statements were approved by NG CDFC on _____ 2023 and signed by:

Fund Account Manager

Name: John Ngatia

National Sub-County Accountant

Name: Teresa W. Macharia
ICPAK M/No:14996

Chairman NG-CDF Committee

Name: Joseph Gachihi Ngugi

OTHAYA Constituency
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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)	% of Utilisation(f=d/c %)
		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			0				
1.1 Compensation of employees	2,984,312	-		2,984,312	2,934,227	50,085	98
1.2 Committee allowances	2,184,000			2,184,000	2,105,500	78,500	96
1.3 Use of goods and services	3,013,830	1,785,932		4,799,762	1,554,815	3,244,947	32
Total	8,182,142	1,785,932	-	9,968,074	6,594,542	3,373,532	66
2.0 Monitoring and evaluation							
2.1 Capacity building	1,600,000			1,600,000	1,294,300	305,700	81
2.2 Committee allowances	2,116,000			2,116,000	451,000	1,665,000	21
2.3 Use of goods and services	507,462			507,462		507,462	-
Total	4,223,462		-	4,223,462	1,745,300	2,478,162	41
3.0 Emergency							
3.1 Primary Schools	7,636,190			7,636,190		7,636,190	-
3.2 Secondary schools	-	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-	-
3.5 Unutilised	-	-	-	-	-	-	-
Total	7,636,190	-	-	7,636,190	-	7,636,190	-
4.0 Bursary and Social Security							
4.1 Secondary Schools	33,000,000	20,238,417		53,238,417	36,106,487	17,131,930	68
4.2 Tertiary Institutions	12,375,000	10,000,000		22,375,000	12,995,513	9,379,487	58
4.3 Social Security	3,000,000			3,000,000	1,614,000	1,386,000	54
4.4 Special Needs							
Total	48,375,000	30,238,417	-	78,613,417	50,716,000	27,897,417	65
5.0 Sports							
5.1	2,764,300			2,764,300		2,764,300	-
Total	2,764,300			2,764,300		2,764,300	-
6.0 Environment							
gathumbi primary school	197,450			197,450		197,450	-
gaturuturu primary school	197,450			197,450		197,450	-
gatuyaini primary school	197,450			197,450		197,450	-

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

gichami primargy school	197,450			197,450		197,450	-
gikurwe primary school	197,450			197,450		197,450	-
gura primary school	197,450			197,450		197,450	-
ihuririo prjimary school	197,450			197,450		197,450	-
kairia primary school	197,450			197,450		197,450	-
karima primary school	197,450			197,450		197,450	-
karuthi primary school	197,450			197,450		197,450	-
konyu primary school	197,450			197,450		197,450	-
miirini primary school	197,450			197,450		197,450	-
mumbu-ini primary school	197,450			197,450		197,450	-
njigari primary school	197,450			197,450		197,450	-
Total	2,764,300	-	-	2,764,300	-	2,764,300	-
7.0 Primary Schools Projects							
birithia primary school	1,410,000			1,410,000		1,410,000	-
gathanji primary school	550,000			550,000		550,000	-
gathanji primary school	89,250			89,250		89,250	-
gathumbi primary school	1,278,750			1,278,750		1,278,750	-
kagonye primary school	262,500			262,500		262,500	-
gaturuturu primary school	236,250			236,250		236,250	-
gatuyaini primary school	147,000			147,000		147,000	-
gichami primargy school	1,315,000			1,315,000		1,315,000	-
gichiche primary school	194,250			194,250		194,250	-
gikurwe primary school	2,419,730			2,419,730		2,419,730	-
gitugi primary school	3,683,000			3,683,000		3,683,000	-
gituiga primary school	1,310,250			1,310,250		1,310,250	-
gitundu primary school	94,500			94,500		94,500	-
gura primary school	1,294,500			1,294,500		1,294,500	-
ihuririo prjimary school	194,250			194,250		194,250	-
irindi primary school	1,320,750			1,320,750		1,320,750	-
iriaini primary school	3,326,750			3,326,750		3,326,750	-

***OTHAYA Constituency
National Government Constituencies Development Fund (NGCDF)
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kagere primary school	110,250			110,250		110,250	-
kagongo primary school	147,000			147,000		147,000	-
kagonye primary school	351,750	3,000,000		3,351,750	3,000,000.00	351,750	90
kagumo primary school	147,000			147,000		147,000	-
kairia primary school	3,352,250			3,352,250		3,352,250	-
kairuthhi primary school	2,826,508			2,826,508		2,826,508	-
kamoko primary school	94,500			94,500		94,500	-
kariko primary school	189,000			189,000		189,000	-
karima primary school	183,750			183,750		183,750	-
karuthi primary school	94,500			94,500		94,500	-
kiagumba primary school	414,750			414,750		414,750	-
kiaguthu primary school	3,462,500			3,462,500		3,462,500	-
kiamuya primary school	68,250			68,250		68,250	-
kigumo primary school	178,500			178,500		178,500	-
kihoma primary school	3,404,750			3,404,750		3,404,750	-
kihuguru primary school	1,378,500			1,378,500		1,378,500	-
kihuri primary school	162,750			162,750		162,750	-
kiinu primary school	194,250			194,250		194,250	-
kirai primary school	1,273,500			1,273,500		1,273,500	-
kiriini primary school	183,750			183,750		183,750	-
kiyu primary school	1,289,250			1,289,250		1,289,250	-
konyu primary school	550,000			550,000		550,000	-
konyu primary school	1,289,250			1,289,250		1,289,250	-
mahiga primary school	1,273,500			1,273,500		1,273,500	-
miirini primary school	1,242,000			1,242,000		1,242,000	-
mucharage primary school	173,250			173,250		173,250	-
muirungi primary school	194,250			194,250		194,250	-
mumbu-ini primary school	157,500			157,500		157,500	-
mumwe primary school	105,000			105,000		105,000	-

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munaiine primary school	729,750			729,750		729,750	-
munyange primary school	68,250			68,250		68,250	-
mutitu primary school	63,000			63,000		63,000	-
ngaru primary school	141,750			141,750		141,750	-
njigari primary school	126,000			126,000		126,000	-
rukira primary school	157,500			157,500		157,500	-
ruruguti primary school	189,000			189,000		189,000	-
thuguri primary school	1,341,750			1,341,750		1,341,750	-
thuti primary school	1,252,500			1,252,500		1,252,500	-
wagura primary school	1,394,250			1,394,250		1,394,250	-
witima primary school	1,305,000			1,305,000		1,305,000	-
Total	50,387,489	3,000,000	-	53,387,489	3,000,000	50,387,489	6
8.0 Secondary Schools Projects							
birithia secondary school	2,500,000			2,500,000		2,500,000	-
gakuyu secondary school	1,050,000			1,050,000		1,050,000	-
gitundu secondary school	700,000			700,000		700,000	-
ihuririo secondary school	700,000			700,000		700,000	-
irindi secondary school	700,000			700,000		700,000	-
kabebero seconadry school	1,050,000			1,050,000		1,050,000	-
kihuri secondary school	700,000			700,000		700,000	-
muirungi secondary school	700,000			700,000		700,000	-
kiahagu secondary		1,500,000		1,500,000	1,500,000.00	-	100
kagonye secondary		1,000,000		1,000,000	1,000,000.00	-	100
witima secondary		3,500,000		3,500,000	3,500,000.00	-	100
Total	8,100,000	1,500,000	-	9,600,000	6,000,000	8,100,000	63
9.0 Tertiary institutions Projects							
Total	-	-	-	-	-	-	-
10.0 Security Projects							
karuthi administration police post	2,000,000			2,000,000		2,000,000	-

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ruruguti chief's office	400,000			400,000		400,000	-
Total	2,400,000	-	-	2,400,000	-	2,400,000	-
11.0 Acquisition of assets	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
12.0 Oversight Committee Expenses (itemize)				-		-	-
accomodation allowance	332,150			332,150		332,150	-
members allowance	600,000		-	600,000	470,000	130,000	78
hire of training facilities	150,000		-	150,000	-	150,000	-
travel allowan ces	50,000			50,000		50,000	-
other committee expenses	250,000		-	250,000		250,000	-
Total	1,382,150		-	1,382,150	470,000	912,150	34
13.0 Other payments				-		-	-
strategic plan	2,000,000			2,000,000.00		2,000,000.00	-
mahiga ICT Hub		900,000		900,000.00	900,000	-	100
witima ICT Hub		900,000		900,000.00	900,000	-	100
				-		-	-
Total	2,000,000	1,800,000	-	3,800,000	1,800,000	2,000,000	47
14.0 unallocated fund							-
Unapproved projects				-		-	-
AIA		59,000		59,000		59,000	-
PMC savings				-		-	-
Total	-	59,000	-	59,000	-	59,000	-
	138,215,033	38,383,349	-	176,598,382	70,325,842	106,272,540	40

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. 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 8th 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.e 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

GFS CODES	Description	2022-2023	2021-2022
1330407	Normal Allocation	Kshs	Kshs
	AIE NO. B 105263		33,000,000
	AIE NO. B 105546		44,000,000
	AIE NO. B 105910		22,000,000
	AIE NO. B 128675		5,000,000
	AIE NO. B 128986		12,000,000
	AIE NO. B 154182		12,000,000
	AIE NO. B 154407		18,000,000
	AIE NO. B 155520	-	24,088,879
	AIE NO. B 089079	-	13,688,979
	AIE NO. A 888989	-	6,700,000
	AIE NO. B185227	7,000,000.00	
	AIE NO. B 185402	6,000,000.00	
	AIE NO. B 185759	15,000,000.00	
	AIE NO. B 206079	5,000,000.00	
	AIE NO. B205575	12,000,000.00	
	AIE NO. B205871	12,000,000.00	
	AIE NO. B207633	15,000,000.00	
	AIE NO. B 207993	15,000,000.00	
		87,000,000.00	190,477,858

2. Proceeds From Sale of Assets

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

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3. Other Receipts

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	59,000	33,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere (specify)		-
TOTAL	59,000	33,000

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Notes to the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,929,156.00	2,647,882
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	424,485.00	456,215
Employer Contributions Compulsory national social security schemes	64,320.00	14,400
TOTAL	2,417,961.00	3,118,497.00

5. Committee Expenses

2210800	Description	2022-2023	2021-2022
2210811	Sitting allowance	2,105,500.00	0
2210802	Other committee expenses	451,000.00	0
	TOTAL	2,556,500.00	-

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6. Use of Goods and services

GFS Code	Description	2022-2023	2021-2022
		Kshs	Kshs
2210100	Utilities, supplies and services	251,242.00	728,680.00
2210200	Communication, supplies and services	93,789.00	69,288.00
2210300	Domestic travel and subsistence	960,900.00	-
2210500	Printing, advertising and information supplies & services	87,000.00	-
2210600	Rentals of produced assets	-	-
2210700	Training expenses	333,400.00	1,073,800.00
2210800	Hospitality supplies and services	324,800.00	-
2210900	Insurance costs	-	-
2211000	Specialised materials and services	200,000.00	-
2211100	Office and general supplies and services	717,250.00	442,800.00
2211200	Fuel , oil & lubricants	300,000.00	500,000.00
2211300	Other operating expenses	4,500.00	-
2211311	Bank Charges	-	42,926.00
2211313	Security operations	-	-
2220100	Routine maintenance - vehicles and other transport equipment	92,500.00	319,500.00
2220200	Routine maintenance- other assets	-	-
	TOTAL	3,365,381.00	9,498,369.00

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

	Description	2022-2023	2021-2022
		Kshs	Kshs
2630204	Transfers to Primary Schools	3,000,000.00	41,750,000.00
2630205	Transfers to Secondary Schools	6,000,000.00	30,325,118.00
2630206	Transfers to Tertiary Institutions	1,800,000.00	-
	TOTAL	10,800,000.00	72,075,118.00

8. Other Grants and Other transfers

	Description	2022-2023	2021-2022
		Kshs	Kshs
2640101	Bursary - Secondary (see attached list)	36,106,487.00	44,997,000.00
2640102	Bursary -Tertiary (see attached list)	12,995,513.00	23,027,000.00
2640104	Bursary- Special Schools	-	1,088,850.00
2640105	Mocks & CAT	-	-
	Social Security programmes (NHIF)	1,614,000.00	3,000,000.00
2640507	Security Projects (see attached list)	-	12,662,207.00
2640509	Sports Projects (see attached list)	-	2,740,640.00
2640510	Environment Projects (see attached list)	-	5,491,292.00
2640200	Emergency Projects (see attached list)	-	-
1070000	Roads Projects	-	-
	TOTAL	50,716,000.00	93,066,989.00

OTHAYA Constituency

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

Non Financial Assets	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
TOTAL	-	0

10. Oversight Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	470,000.00	-
Other COC expenses	-	-
TOTAL	470,000.00	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic Plan		
ICT Hubs		1,995,716
Othaya Law courts		1,000,000
Mahiga community centre		1,500,000
	-	-
Total	-	4,495,716

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Kenya Commercial Bank</i>	54,965,676.00	38,324,349.00
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	54,965,676.00	38,324,349.00
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

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>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
<i>Name of Officer</i>	dd/mm/yy	-	-	-
Total		-	-	-

[Include an annex if the list is longer than 1 page.]

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	419,184.00	347,716.00
Gratuity held during the year (B)	424,485.00	456,215.00
Gratuity paid during the Year (C)	516,316.00	384,747.00
Closing Gratuity as at 30 th June D= A+B-C	327,353.00	419,184.00

15. Fund Balance B/F

	(1st July 2022)	(1st July 2021)
	Kshs	Kshs
Bank accounts	38,324,349	29,589,095.00
Cash in hand	-	-
Imprest	-	-
Total	38,324,349	29,589,095.00
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	38,324,349	29,589,095.00

16. Prior Year Adjustments

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

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

17. Changes In Accounts Receivable – Outstanding Imprests

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

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	419,184.00	347,716.00
Deposit and Retentions held during the year (B)	424,485.00	456,215.00
Deposit and Retentions paid during the Year (C)	516,316.00	384,747.00
closing account payables D= A+B-C	327,353.00	419,184.00
Net changes in accounts payables D-A	(91,831.00)	419,184.00

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

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

19.3: Unutilized Fund (See Annex 3)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Compensation of employees	50,085	
Committee expense	1,743,500	
Use of goods and services	4,058,109	1,785,932
Amounts due to other Government entities (see attached list)	53,987,489	4,500,000
Amounts due to other grants and other transfers (see attached list)	43,462,207	30,238,417
Acquisition of assets	-	-
Oversight Committee Expenses	912,150	-
Other Payments (<i>specify</i>)	2,000,000	1,800,000
Funds pending approval	59,000	59,000
Total	106,272,540	38,383,349

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19.4: PMC account balances (See Annex 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
PMC account balances (see attached list)	15,609,527.55	47,433,817.05
Total	15,609,527.55	47,433,817.05

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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	-	-	-	-	

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 2022/2023	Outstanding Balance 2021/2022	Comments
Compensation of employees		50,085		
Committee Allowances		1,743,500		
Use of goods & services		4,058,109	1,785,932	
Monitoring & Evaluation		4,146,451.00		
Emergency		7,636,190.00	7,222,207.00	
Bursary				
Secondary Schools			7,319,362.00	
Tertiary Schools		12,375,000.00	30,935.00	
Special Schools			886,150.00	
Social Security		3,000,000.00	3,000,000.00	
Environment		2,764,300.05	2,746,538.00	
Sports		2,764,300.00	2,747,675.00	
Primary Schools Projects				
Birithia Primary School		1,410,000.00		
Gathanji Primary School		639,250.00		
Gathumbi Primary School		1,278,750.00		
Gtaugi Primary School		262,500.00	1	
Gaturuturu Primary School		236,250.00		
Gatuyaini Primary School		147,000.00		
Gachami Primary School		1,315,000.00		
Gichiche Primary School		194,250.00	1	

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Gikurwe Primary School		2,419,730.30		
Gitugi Primary School		3,683,000.00		
gituiga primary school		1,310,250.00		
gitundu primary school		94,500.00		
gura primary school		1,294,500.00		
ihuririo prjimary school		194,250.00		
irindi primary school		1,320,750.00		
iriaini primary school		3,326,750.00		
kagere primary school		110,250.00		
kagongo primary school		147,000.00		
kagonye primary school		351,750.00		
kagumo primary school		147,000.00		
kairia primary school		3,352,250.00		
kairuthhi primary school		2,826,508.38		
kamoko primary school		94,500.00		
kariko primary school		189,000.00		
karima primary school		183,750.00		
karuthi primary school				

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
		94,500.00		
kiagumba primary school		414,750.00		
kiaguthu primary school		3,462,500.00		
kiamuya primary school		68,250.00		
kigumo primary school		178,500.00		
kihome primary school		3,404,750.00		
kihugiru primary school		1,378,500.00		
kihuri primary school		162,750.00		
kiinu primary school		194,250.00		
kirai primary school		1,273,500.00		
kiriini primary school		183,750.00		
kiyu primary school		1,289,250.00		
konyu primary school		550,000.00		
konyu primary school		1,289,250.00		
mahiga primary school		1,273,500.00		
miirini primary school		1,242,000.00		
mucharage primary school		173,250.00		
muirungi primary school				

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
		194,250.00		
mumbu-ini primary school		157,500.00		
mumwe primary school		105,000.00		
munaiine primary school		729,750.00		
munyange primary school		68,250.00		
mutitu primary school		63,000.00		
ngaru primary school		141,750.00		
njigari primary school		126,000.00		
rukira primary school		157,500.00		
ruruguti primary school		189,000.00		
thuguri primary school		1,341,750.00		
thuti primary school		1,252,500.00		
wagura primary school		1,394,250.00		
witima primary school		1,305,000.00		
Secondary schools				
birithia secondary school		2,500,000.00		
gakuyu secondary school		1,050,000.00		

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
gitundu secondary school		700,000.00		
ihuririo secondary school		700,000.00	-	
irindi secondary school		700,000.00		
kabebero seconadry school		1,050,000.00		
kihuri secondary school		700,000.00		
muirungi secondary school		700,000.00		
SECURITY				
karuthi administration police post		2,000,000.00		
ruruguti chief's office		400,000.00		
Oversight Committee Expenses (itemize)				
accomodation allowance		332,150		
members allowance		130,000		
hire of training facilities		150,000		
travel allowan ces		50,000		
other committee expenses		250,000		
Other payments				
strategic plan		2,000,000		
NG-CDF Office			4,284.00	
Mahiga ICT Hub			900,000	

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Witima ICT Hub			900,000	
Othaya NG-CDF Hall			4,000,000	
Funding Pending Approval		59,000	59,000	
Sub-Total				
Grand Total		106,272,639.00	38,383,349	

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	35,000,000.00	-	-	35,000,000.00
Buildings and structures	4,035,875.00	-	-	4,035,875.00
Transport equipment	2,893,791.00	-	-	2,893,791.00
Office equipment, furniture and fittings	92,000.00	-	-	92,000.00
ICT Equipment, Software and Other ICT Assets	53,200.00	-	-	53,200.00
Other Machinery and Equipment		-	-	
Heritage and cultural assets		-	-	
Intangible assets		-	-	
Total	42,074,866.00	-	-	42,074,866.00

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

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Birithia Primary School	Equity Bank	80292869100	2,871.50	2,871.50
Birithia Secondary School	Equity Bank	80293432965	123,491.50	2,036,235.50
Chinga Boys High School	Equity Bank	80291998260	73,189.50	73,189.50
Chinga NW Chief Office	Equity Bank	80262546237	3,105.05	3,105.05
Chinga SW Chief Office	Equity Bank	80279814805	19,920.90	19,920.90
Gakuyu Secondary School	Equity Bank	80294971593	229,780.50	3,039,035.50
Gathanji Primary School	Equity Bank	80262303463	205,227.20	3,299,384.00
Gathera AP Post	Equity Bank	80270331354	7,695.10	7,695.00
Gathera Ass. Chief's Office	Equity Bank	80279793672	7,425.00	31,775.00
Gathera Secondary School	Equity Bank	80270641982	60,095.65	257,014.00
Gathumbi primary school	Equity Bank	80266106398	185,828.50	185,828.00
Gathumbi Secondary School	Equity Bank	80280518562	147,080.40	165,492.00
Gatugi AP Camp	Equity Bank	80262290780	3,280.00	3,280.00
Gatugi Girls Sec. school	Equity Bank	80271508966	26,627.50	26,627.50
Gatugi primary school	Equity Bank	80262305595	10,024.10	1,103,245.00
Gaturuturu primary school	Equity Bank	80262304404	5,991.35	5,991.00
Gatuyaini primary School	Equity Bank	80262305667	8,053.90	139,608.00
Gichami Primary School	Equity Bank	80270645054	1,370.50	1,370.50
Gichiche primary school	Equity Bank	80292813724	-	3,382,223.50
Gikurwe primary school	Equity Bank	80279644739	24,437.80	24,437.80
Gitugi Mixed Day Sec. school	Equity Bank	80261934492	5,509.00	156,726.00
Gitugi Primary School	Equity Bank	80298660586	14,284.00	177,017.00
Gituiga Primary school	Equity Bank	80298660668	9,181.95	11,761.00
Gitundu Primary School	Equity Bank	80262303422	103,231.50	272,956.00
Gitundu Secondary School	Equity Bank	80293662173	48,632.25	211,661.00
Ihuririo AP post	Equity Bank	80266105563	3,022.00	3,022.00
Iriaini Girls Secondary School	Equity Bank	80262303404	211.50	211.50
Iriaini primary school	Equity Bank	80266105342	78,078.00	1,704,326.00
Irindi Primary School	Equity Bank	80263306149	7,954.00	177,215.00

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Irindi Secondary School	Equity Bank	80293596903	226.50	51,543.00
Kabebero Secondary School	Equity Bank	80263297179	174,645.10	2,242,265.00
Kagongo Primary school	Equity Bank	80292812857	22,130.10	22,130.00
Kagonye primary school	Equity Bank	80279945794	3,111,061.00	511,672.00
Kagonye Secondary School	Equity Bank	80280411996	2,013,300.35	1,034,010.00
Kagumo primary school	Equity Bank	80299334085	7,364.30	81,872.00
Kairia primary school	Equity Bank	80263306058	5,476.80	39,274.80
Kairuthi Secondary School	Equity Bank	80294127275	108,095.50	108,095.00
Kamoko Primary school	Equity Bank	80279909681	71,554.95	1,601,024.00
Kariko primary school	Equity Bank	80262303474	125,196.00	200,131.00
Kariko Secondary School	Equity Bank	80279821894	16,060.00	98,893.00
Karima Boys High School	Equity Bank	80262274268	1,697.00	1,697.00
Karima primary school	Equity Bank	80261933654	56,582.00	130,975.00
Karuthi primary school	Equity Bank	80292847631	183,828.50	249,768.00
Karuthi Secondary school	Equity Bank	80280558865	42,770.15	1,648,029.00
Kenyatta High School	Equity Bank	80298232020	89,659.50	89,659.50
Kiaguthu Primary School	Equity Bank	80270642191	124,106.45	944,944.00
Kiaguthu Secondary School	Equity Bank	80271073873	48,780.00	863,351.00
Kiahagu Secondary School	Equity Bank	80291409270	1,527,254.00	27,254.00
Kiamuya AP Post	Equity Bank	80270642151	30.00	30.00
Kiamuya Primary School	Equity Bank	80270641476	91,603.10	91,603.10
Kiamuya Secondary School	Equity Bank	80294951520	338,327.90	2,720,481.00
Kiangumba Primary School	Equity Bank	80262546118	81,532.50	1,843,492.00
Kigumo primary school	Equity Bank	80263306016	7,894.10	48,675.00
Kihome primary School	Equity Bank	80279056336	9,375.75	9,375.75
Kihome Secondary School	Equity Bank	80291892683	70,384.00	70,384.00
Kihugiru Primary school	Equity Bank	80292923046	5,145.50	240,806.00
Kihuri Secondary School	Equity Bank	80296932679	386,444.50	5,465,448.00
Kirai Primary school	Equity Bank	80295539334	381,814.60	381,814.00
Kiriini primary School	Equity Bank	80261933667	67,284.50	295,470.50
Kiyu primary school	Equity Bank	80290930185	3,889.10	12,474.10
Konyu Primary School	Equity Bank	80262610929	5,431.50	224,985.50
Mahiga ACC Office	Equity Bank	80271509320	132,983.00	132,963.00

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Mahiga Girls High School	Equity Bank	80262295961	6,348	-
Mahiga Primary School	Equity Bank	80296188219	43,373.50	43,373.50
Miriine primary school	Equity Bank	80292844485	153,130.00	815,066.00
Mucharage primary School	Equity Bank	80280022484	26,766.05	1,895,594.05
Mucharage Secondary School	Equity Bank	80266105144	184,704.50	4,003,204.50
Muirungi Primary School	Equity Bank	80293674066	13,031.45	70,745.45
Muirungi Secondary School	Equity Bank	80262290762	188,380.95	206,503.95
Mumwe primary school	Equity Bank	80280897990	21,993.95	184,282.85
Muna - ini Primary School	Equity Bank	80262546009	7,566.90	806,320.90
Munyange Primary School	Equity Bank	80262139153	151,851.25	76,022.25
Munyange Secondary School	Equity Bank	80261933670	28,189.95	46,312.95
Njigari Primary school	Equity Bank	80263767277	76,776.35	52,981.35
Othaya Boys High School	Equity Bank	80291998260	13,674.50	73,189.50
Othaya KMTC	Equity Bank	80267895590	3,645.00	3,545.00
Rukira primary school	Equity Bank	80262305322	3,334.10	69,240.10
Ruruguti AP Camp	Equity Bank	80270331331	190,744.50	190,804.50
Ruruguti Primary School	Equity Bank	80273347692	74,946.50	369,095.50
Thunguri Primary School	Equity Bank	80262303449	10,176.95	172,465.95
Thuti primary school	Equity Bank	80294360569	42,155.00	204,404.00
Wagura primary school	Equity Bank	80299738675	24,072.50	32,665.50
Witima Ap Line	Equity Bank	80263295992	11,525.00	11,525.00
Witima Secondary School	Equity Bank	80260474044	3,598,660.25	98,660.25
Total			15,609,527.55	47,433,817.05

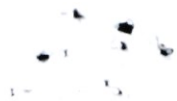
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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Projects Implementation Status Report- delayed implementation of the projects	The projects have now been implemented.	Resolved	Resolved
2	Budgetary Performance underutilization of the funds	The projects have now been implemented.	Resolved	resolved

NG. CONSTITUENCY DEVELOPMENT
 FUND
 27 MAR 2024

Name: John Ngatia
 Fund Account Manager.



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