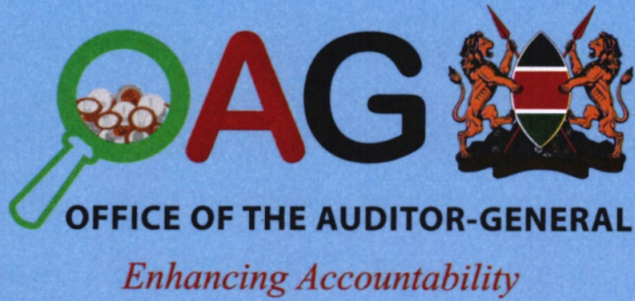



REPUBLIC OF KENYA



REPORT

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|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: 25 SEP 2024 | DAY: WEDNESDAY |
| TABLED BY: Hon. Owen Binywa | THE AUDITOR-GENERAL |
| CLERK-AT THE-TABLE: Joyce L. | |

OF

ON

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

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



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
15 MAY 2024
RECEIVED



GITHUNGURI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENT
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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Githunguri Constituency
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Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
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I. Acronyms and Abbreviations

- NGCDF - National Government Constituency Development Fund
- PFM - Public Finance Management
- IPSAS - International Public Sector Accounting Standards.
- PMC - Project Management Committee
- FY - Financial Year

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

(a) Vision

An empowered and self-sufficient constituency with high quality of life

(b) Mission:

To support the residents of Githunguri Constituency improve their lives by providing quality support in education, security, youth empowerment, environment and general welfare

(c) Strategic Objectives: (as per constituency's Strategic Plan)

- i. Increase the retention of children in both primary and secondary school
- ii. Improve transition of pupils from Primary to secondary schools, and from secondary to tertiary
- iii. Improve performance in Primary and Secondary Schools
- iv. Improve the conservation of water within the constituency
- v. Enhance the participation of youths in sports
- vi. Strengthen the capacity of Githunguri NGCDF offices to effectively undertake its mandate

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

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

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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 | JANE WAIRIMU MUCHIRA |
| 2. | Sub-County Accountant | HANNAH KARIUKI |
| 3. | Chairman NGCDFC | PETER MAINA |
| 4. | Member NGCDFC | |

(c) Fiduciary Oversight Arrangements

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

P.O. Box 147-00216,
Githunguri NGCDF Building/House/Plaza
Opposite DCCs Office
Githunguri, Kiambu, KENYA

(e) Githunguri Constituency NGCDF Contacts

Telephone: (254) 701 200 851
E-mail: cdfgithunguri@ngcdf.go.ke
Website: www.githunguri.ngcdf.go.ke

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(f) Githunguri Constituency NGCDF Bankers

002000033430
Family Bank PLC
Githunguri Branch
P.O. Box 207 -000216,
Githunguri

(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



Peter Maina Mwangi- Chairman NG-CDF Githunguri

Githunguri Constituency is one of the Constituencies in Kiambu County. It is characterised by some highly vigorous constituents in areas of farming majorly coffee and tea as the cash crop and maize, beans and arrowroots as food crops. Similarly, livestock keeping has been on the lead with Githunguri hosting the largest cooperative owned milk processing factory – Fresha. This means, the people of Githunguri constituency are determined to participate effectively in domesticating objectives of the SDGs and the Vision 2030 in their vision as per the National development plan. The constituents are empowered and are willing to implement the formulated development programmes in the constituency within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with inclusivity, fairness, transparency, openness and accountability.

In the Financial year 2022-2023 the NG-CDF Githunguri Constituency was allocated **Ksh. 145,087,603.00** and out of the budget, the constituency only received **Kshs. 87,000,000.00**. thus the utilization has not been effective and majority of the projects have not been started.

Being that the Financial Year 2022-2023 was an electioneering year, the activities were abt delayed. The committee was gazetted in December 2022 and was able to hit the ground immediately to collect views of the constituents on the expected development areas. This meant that the proposals were delayed as well as the disbursement of funds.

On the other hand, the effects of climate change were being felt by the constituents..since the community largely relies on agriculture as the source of livelihood. Agriculture was largely affected by the lack of rains and thus the poverty levels has been on the rise. The Committee therefore prioritised bursary and disbursed a total of **Kshs. 33,081,270** in the third quarter to relieve the community on the burden of the school fees.

In November 2022 and December 2022, 4 schools suffered the purge of heavy down fall and a total of 4 toilets collapsed and the schools were in the verge of being closed. The NGCDF therefore agreed to have emergency interventions on 3 schools since by the time the funds were received, one school had already mobilised their parents and well-wishers to create a temporary solution. Since the constituency is majorly hilly, the challenge of collapsing toilets is inevitable. The committee therefore agreed to construct Aqua Toilets to reinforce the toilets.

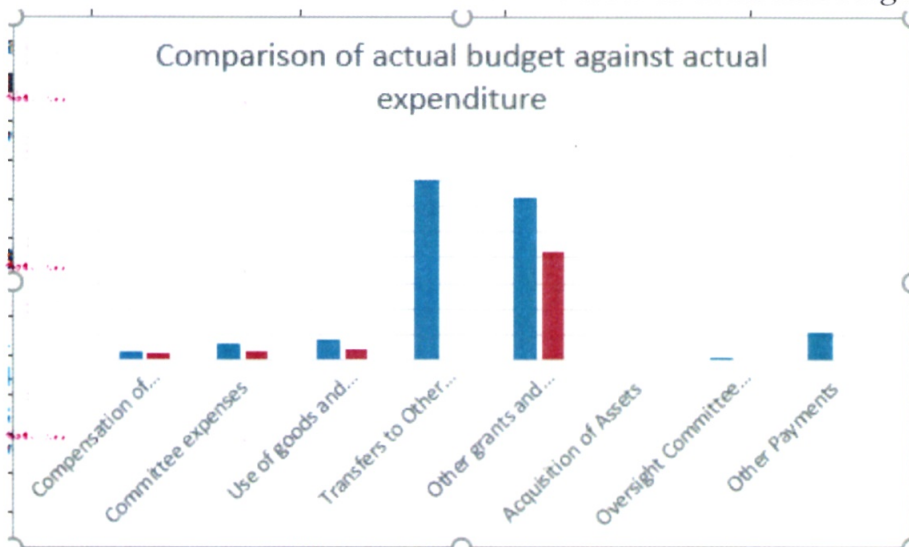
The Committee in the year under review received (**KSHs. 90,738,705.00**) equivalent to 56.4% the total budget of **Kshs. 160,915,186.00** of and absorbed (**KSHs. 51,335,320.00**) 31.9% of the total budget or

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56.6% of what was disbursed. This was occasioned by the fact that **KSHs. 30,000,000.00** was received towards the end of the FY and the AIEs were received in the following FY.



| Description | Actual Budget | Actual utilization | Explanatory notes |
|-------------------------------------|---------------|--------------------|---|
| Compensation of Employees | 2,777,893.47 | 2,454,959 | 88.4% - The contracts for 3 members of staff expired on September 30 th 2022 but there was no existing committee to renew their contracts. Similarly, it was an election year therefore a delay in gazettelement of the new committee. |
| Committee expenses | 5,864,384.00 | 3,198,940 | 54.5% - Delays in gazettelement and delays in disbursement |
| Use of goods and services | 7,622,181.00 | 3,762,912 | 49.4% - Delays in gazettelement and delays in disbursement |
| Transfers to Other Government Units | 69,715,298.58 | - | 0% - Delays in gazettelement and delays in disbursement |
| Other grants and transfers | 63,418,126.00 | 41,918,509 | 66.1% - Delays in gazettelement and delays in disbursement |
| Oversight Committee Expenses | 1,000,000.00 | - | 0% - Delays in gazettelement and delays in disbursement |
| Other Payments | 10,517,303.00 | - | 0% - Delays in gazettelement and delays in disbursement |

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As indicated above, the committee managed to construct Aqua Toilets in the three schools that had challenges.



Figure 1: CIKO PRIMARY SCHOOL - 8 DOOR AQUA TOILET BLOCK



Figure 2: MUKUBU PRIMARY SCHOOL – 7 DOOR AQUA TOILET BLOCK



Figure 3: PCEA MUKUA SECONDARY SCHOOL – 8 DOOR TOILET BLOCK WITH A SEPTIC TANK

On the organisations emerging issues, The National Assembly Select Committee for NGCDF has been on a mission to develop regulations and ACTs that would ensure the Operations of NGCDF have been entrenched in the constitution of Kenya. This would ensure continuity and consistency in the operations. Similarly, Strengthening the regional offices has made sure that monitoring of projects in the constituencies is properly done.

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In comparison, the community feels that the 20 years of operations of NGCDF has had major impact in the spheres of its programs. There's more pride in NGCDF Projects that were initiated long before the new constitution. For example, in Githunguri Constituency, Matuguta Secondary School was a school initiated by NGCDF in the FY 2009-2010, commenced operations in FY 2011-2012. The institution has so far trained over 1,000 students with 27 already gone through the tertiary training. This has so far had very positive impact on the community since all pupils from all backgrounds have opportunity to acquire basic education.

The global warming aspect and post covid challenges has largely affected the income generating activities of the people of Githunguri. This has put weight on the need for bursary and training support. With the government push for 100% transition to secondary and tertiary institutions, there's a need to increase the bursary allocation from the basic 25% to a higher level.

The Population increase and increased demand for land has also put a strain on the available land and grabbers have changed focus and interest to the Public utilities available. The committee therefore has resolved to protect them i.e. the public lands to ensure that the future generation has public facilities that can be used in the future.



.....
Name: Peter Maina Mwangi
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY 2022/23

Introduction

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

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

- *To improve education performance at all levels of education sector*
- *To support equity and inclusiveness in development*
- *To integrate ICT in development initiatives*
- *To assist in environmental management and conversation program*
- *To harness the potential of the vulnerable groups in combating unemployment*

Progress on attainment of Strategic development objectives

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

| Constituency Sector | Objective | Outcome | Indicator | Performance |
|---------------------|---|---|--|---|
| Education | To have all children of school going age attending school | - Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions | - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels | Bursary beneficiaries at all levels has really increased this financial year from 1,800 to 2,400 |
| Security | To have the constituents and the community enjoying the environment with no crimes. | Increased businesses and thus the economy has been able to grow gratefully. | Number of usable physical structure in the constituent. Number of new businesses developed in the area | In Fy 22/23 the NGCDFC had proposed construction of 2 Police Posts (Kiambururu Police post and Karuthi Police Post) and 1 Police station at Ikinu Division. |
| Sports | To have constituency | Decrease in level of Drugs | Number of teams registered and | In FY 22/23 The NG-CDFC is in |

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| | | | | |
|-----------|---|--|---|--|
| | tournament and thus engage the youth | intake, crimes and idleness by the youth. | increased the referees through training conducted | communication with FKF to initiate training of coaches and referees in readiness of the constituency and regional tournament |
| Emergency | To carter any unforeseen thus able to handle any disaster on time | Appropriate timing in handling of any disaster | Promptly acting on any disaster case | In FY 22/23 The NGCDFC was able to handle 3 emergency projects which were construction of Aqua - toilets at Ciiko Primary Sch, PCEA Mukua Secondary School, and Mukubu Primary School which had collapsed due to heavy rains Between August and December 2022. |

V. Statement of Governance

The Githunguri NGCDF Committee members were competitively selected as per the set criterion. The Selection panel was constituted as per the guidelines i.e. the Constituency office manager appointed 2 persons to the panel while the Assistant County Commissioner 1 was appointed by the DCC and was the chairperson to the Selection Panel. The Panel held their first meeting on Friday 30th September 2022 and set the criterion for selection of the committee. On the deliberations, the committee agreed to send out the Adverts on the same day and the deadline for applications was set on 14th October 2022. The adverts were placed in all chiefs' camps and churches as per the committee agreement. The committee received a total of 87 (eighty-seven only) applicants and were able to shortlist up to 17 applicants who had all the necessary documents. The seventeen applicants were subjected to an interview process where they were ranked as per their performance. 4 (four) members (male youth and adult, female Youth and Adult) were selected through the interview process while the PWD was nominated by Gititha Disabled Self-help Group. The Constituency Office Manager also appointed two constituency Office Nominee as per the NGCDF Act 2015 amended 2022 and regulation 2016. The selected committee was gazzetted on November 29, 2022 via Gazzette notice Vol. CXXIV-No. 254 for a tenure of 2 (two) years only.

Upon Gazzettement, the committee commence their operations through an official handing over/ take over meeting which was held on 20th December 2022. The committee hit the ground running by setting up subcommittees to facilitate operations of the committee.

AS per the NGCDF Regulations 2016, The functions of a Constituency Committee shall be to -

- i. Build the capacity of project management committees and Committee sensitize the Community on the operations of the Fund;
- ii. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- iii. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- iv. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- v. In approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- vi. Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- vii. In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- viii. Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- ix. Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- x. Ensure that all projects receive adequate funding and are completed within three years;
- xi. 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;
- xii. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;

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- xiii. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- xiv. Ensure that project reports are prepared and submitted to the Board;
- xv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- xvi. Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- xvii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- xviii. Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- xix. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- xx. Submit to the Board the report stipulated in section 5(5) of the Act, which report shall
 - (1) contain a list of all the new projects commenced during the financial year and their completion status; and
 - (2) a list of all projects approved, funded and commenced during previous financial years, and their completion status;
- xxi. Enter into performance contracting with the Board on an annual basis;
- xxii. In exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution;
- xxiii. Receive returns from project management committees in accordance with regulation 15;
- xxiv. Maintain a database of project management committees and reports from the respective committees;
- xxv. Ensure that the reports referred to in paragraph (x) are received before funding is released for each phase of the project being implemented;
- xxvi. Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office;
 - (1) Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
 - (2) ensure that the committee does not enter into commitments for which funding has not been allocated;
 - (3) ensure projects are labelled in accordance with the guidelines issued by the Board; and
 - (4) perform any other function assigned to it by the Board.

The Committee developed a work plan as they proceeded to organise for public participation which was held between 3rd January to 7th January 2023. The committee has already held 10 meetings and 2 bursaries sub-committee meetings.

The Committee was trained in Embu between 24th April 2023 to 28th April 2023. Areas of training included among others, Risk Management, Procurement, code of Conduct, Quality Management procedures, NGCDF Act and the regulations and so on.

The committee was well briefed on their remuneration though the emphasis was on the responsibility being voluntary.

VI. Environmental and Sustainability Reporting

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22

has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

NG-CDF's support for environmental activities encompasses financial resources, training, coordination, and monitoring to ensure the successful execution of conservation projects among students. This multifaceted support not only empowers students but also contributes to the broader goals of environmental awareness and sustainability within the community. The NGCDFC Githunguri Constituency in the FY 2022-2023 proposed installation of water tanks and Gutters in 10 Primary schools. This was geared towards harvesting and conservation of water for sustainability.

While police stations are essential for maintaining law and order, sensitizing youth and communities about drug-related issues is better achieved through a combination of education, prevention programs, treatment facilities, community engagement, and a balanced approach that doesn't solely rely on law enforcement measures. Building trust and addressing the root causes of drug abuse are key factors in creating lasting solutions to drug-related problems. The committee in the year under review, proposed construction of 2 police posts and 1 Police station. This will go a long way in ensuring that the Alcohol and Drug abuse management is contained as we mitigate idleness and improve on sports.

The National Government Constituency Development Fund (NG-CDF) can play a significant role in promoting environmental conservation awareness by organizing and sponsoring sporting activities and tournaments that bring communities together. By combining sports and environmental education, NG-CDF can create a dynamic and engaging approach to raise awareness about environmental conservation. Such events not only promote a sense of community but also inspire individuals to take active roles in safeguarding their local environment, leading to long-term sustainability and conservation efforts.

In the year under review, NGCDFC proposed conducting a constituency tournament and a regional tournament. This will broaden the skills and knowledge of the Githunguri Community as well as the other regional stakeholders.

3. Employee welfare

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

Githunguri 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-

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

Public Participation in Project Identification and Implementation and Monitoring

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

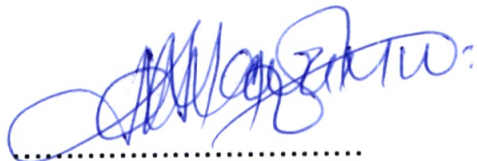
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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



Name: Jane Wairimu Muchira

Fund Account Manager.

VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF - Githunguri 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, 202X. 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 - Githunguri 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 in-charge of the NGCDF- Githunguri 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 Githunguri 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- Githunguri Constituency financial statements were approved and signed by the Accounting Officer on 13-09-2023.



.....

Name: Peter Maina

Chairman – NGCDF Committee



.....

Name: Jane Wairimu Muchira

Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - GITHUNGURI 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 - Githunguri Constituency set out on pages 1 to 44,

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

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Githunguri 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 National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects bank balances of Kshs.39,403,386 as disclosed in Note 12A to the financial statements. However, the bank reconciliation statement as at 30 June, 2023 reflects balance as per cash book of Kshs.17,193,664 resulting to a variance of Kshs.22,209,722.

Further review of the bank reconciliation statement revealed payments in cash book not in bank statement and receipts in bank statements not recorded in cash book of Kshs.32,482,171 and Kshs.71,456 respectively. However, the details of the individual transactions, including the dates, the cheque numbers, the amounts and the payees were not disclosed in the bank reconciliation statement.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.39,403,386 could not be confirmed.

2. Unsupported Bursary Disbursements

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects an amount of Kshs.41,918,509 in respect of other grants and transfers. Included in this expenditure is an amount of Kshs.35,163,709 relating to bursary disbursements to secondary schools, tertiary institutions and special schools of Kshs.21,271,901, Kshs.12,642,275 and Kshs.1,249,533, respectively. However, examination of bursary application forms revealed no evidence of approval by Education Bursary, Mock Examinations and Continuous Assessment Tests Committee since individual bursary application forms were not marked as approved or rejected as required. Further, minutes of the Committee and the details of the successful applicants were not provided for audit review.

In the circumstances, the accuracy and completeness of the expenditure of bursary of Kshs.35,163,709 could not be confirmed.

3. Lack of Land Ownership Documents

Annex 4 to the financial statements reflects summary of fixed asset register balance of Kshs.12,677,442. Included in the asset register are buildings and structures valued at Kshs.10,688,082. However, ownership documents for the land where the buildings and structures have been constructed were not provided for audit review.

In the circumstances, the existence and ownership of the land with nil value could not be confirmed.

4. Unsupported Project Management Committee Bank Balances

Annex 5 to the financial statements reflects Project Management Committees (PMC) bank balances totalling Kshs.5,865,138. The balances are in respect of unspent funds held at the respective PMC accounts which includes those of projects that were completed in prior years and which ought to have been returned to the Constituency bank account. Further, the respective bank reconciliation statements and cash books were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC account balance of Kshs.5,865,138 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual receipts on comparable basis of Kshs.161,954,798 and Kshs.91,778,317 respectively resulting to an under-funding of Kshs.70,176,480 or 43% of the budget. However, the Fund spent Kshs.52,374,932 against actual receipts of Kshs.91,778,317 resulting to an under-utilisation of Kshs.39,403,385 or 43% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the report of the previous year, several issues were raised under Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues nor given any explanation for the failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 June, 2024

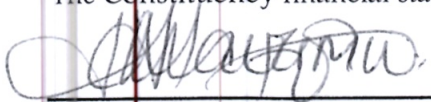
*Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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 | 170,088,879 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | - |
| TOTAL RECEIPTS | | 87,000,000 | 170,088,879 |
| PAYMENTS | | | |
| Compensation of employees | 4 | 2,454,959 | 2,710,627 |
| Committee expenses | 5 | 3,198,940 | 5,253,500 |
| Use of goods and services | 6 | 3,762,912 | 9,287,064 |
| Transfers to Other Government Units | 7 | - | 110,200,000 |
| Other grants and transfers | 8 | 41,918,509 | 102,516,741 |
| Acquisition of Assets | 9 | - | - |
| Other Payments | 11 | - | - |
| TOTAL PAYMENTS | | 51,335,320 | 229,967,932 |
| SURPLUS/DEFICIT | | 35,664,680 | (59,879,053) |

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 **13-09-2023** and signed by:


Fund Account Manager

Name: WAIRIMU MUCHIRA


National Sub-County
Accountant

Name: HANNAH KARIUKI

ICPAK M/No: 20511


Chairman NG-CDF Committee

Name: PETER MAINA
MWANGI

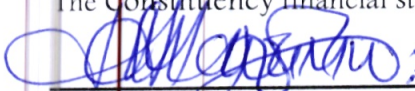
*Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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 | 39,403,386 | 3,738,705 |
| Cash Balances (cash at hand) | 12B | - | - |
| Total Cash and Cash Equivalents | | 39,403,386 | 3,738,705 |
| Accounts Receivable | | | |
| Outstanding Imprests | 13 | - | - |
| TOTAL FINANCIAL ASSETS | | 39,403,386 | 3,738,705 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 14A | - | - |
| Gratuity | 14B | - | - |
| NET FINANCIAL SSETS | | 39,403,386 | 3,738,705 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 15 | 3,738,705 | 63,617,758 |
| Prior year adjustments | 16 | - | - |
| Surplus/Deficit for the year | | 35,664,680 | (59,879,053) |
| NET FINANCIAL POSITION | | 39,403,385 | 3,738,705 |

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 **13-09-2023** and signed by:


Fund Account Manager

Name: WAIRIMU MUCHIRA


National Sub-County
Accountant

Name: HANNAH KARIUKI
ICPAK M/No:20511


Chairman NG-CDF Committee

Name: Peter Maina Mwangi

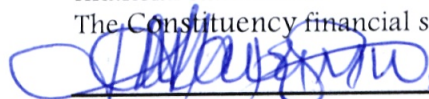
Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

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 | 170,088,879 |
| Other Receipts | 3 | - | - |
| | | 87,000,000 | 170,088,879 |
| Payments for operating activities | | | |
| Compensation of Employees | 4 | 2,454,959 | 2,710,627 |
| Committee expenses | 5 | 3,198,940 | 5,253,500 |
| Use of goods and services | 6 | 3,762,912 | 9,287,064 |
| Transfers to Other Government Units | 7 | - | 110,200,000 |
| Other grants and transfers | 8 | 41,918,509 | 102,516,741 |
| Other Payments | 11 | - | - |
| | | 51,335,320 | 229,967,932 |
| Adjusted for: | | | |
| Decrease/(Increase) in Accounts receivable | 17 | - | - |
| Increase/(Decrease) in Accounts Payable | 18 | - | - |
| Prior year Adjustments | 16 | - | - |
| Net Adjustments | | - | - |
| Net cash flow from operating activities | | 35,664,680 | (59,879,053) |
| 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 | | 35,664,680 | (59,879,053) |
| Cash and cash equivalent at BEGINNING of the year | 12 | 3,738,705 | 63,617,758 |
| Cash and cash equivalent at END of the year | | 39,403,385 | 3,738,705 |

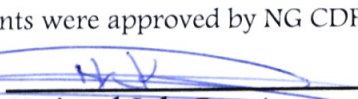
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on **13-09-2023** and signed by:



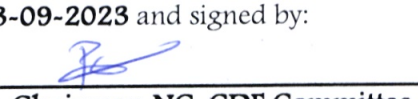
Fund Account Manager

Name: WAIRIMU MUCHIRA



National Sub-County Accountant

Name: HANNAH KARIUKI
ICPAK M/No:20511



Chairman NG-CDF Committee

Name: PETER MAINA

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

| Receipts/Payments | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|-------------------------------------|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|------------------|
| | a | b | | c=a+b | d | e=c-d | f=d/c % |
| | 2022-2023 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2022-2023 | 2022-2023 | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Receipts | | | | | | | |
| Transfers from NG-CDF Board | 145,087,603 | 3,738,705 | 12,088,878 | 160,915,186 | 90,738,705 | 70,176,480 | |
| Proceeds from Sale of Assets | | | | 0 | - | - | 0.0% |
| Other Receipts | | 1,039,612 | | 1,039,612 | 1,039,612 | - | |
| TOTAL RECEIPTS | 145,087,603 | 4,778,317 | 12,088,878 | 161,954,798 | 91,778,317 | 70,176,480 | 56.7% |
| PAYMENTS | | | | | | | |
| Compensation of Employees | 2,382,000 | 167,636 | 228,257 | 2,777,893.47 | 2,454,959 | 322,934 | 88.4% |
| Committee expenses | 4,385,884 | 1,478,500 | | 5,864,384.00 | 3,198,940 | 2,665,444 | 54.5% |
| Use of goods and services | 6,290,000 | 1,332,181 | | 7,622,181.00 | 3,762,912 | 3,859,269 | 49.4% |
| Transfers to Other Government Units | 60,211,593 | 760,388 | 8,743,318 | 69,715,298.58 | - | 69,715,299 | 0.0% |
| Other grants and transfers | 60,818,126 | 1,039,612 | 2,600,000 | 64,457,738.00 | 42,958,121 | 21,499,617 | 66.6% |
| Acquisition of Assets | | | | - | - | - | |
| Other Payments | 11,000,000 | | 517,303 | 11,517,303.00 | - | 11,517,303 | 0.0% |
| TOTAL | 145,087,603 | 4,778,317 | 12,088,878 | 161,954,798 | 52,374,932 | 109,579,866 | 32.3% |

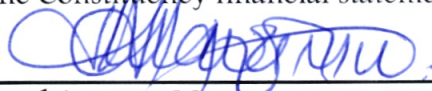
Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

Explanatory Notes.

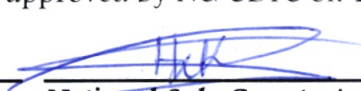
- (a) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- I. Compensation of employees: 88.4% - The contracts for 3 members of staff expired on September 30th 2022 but there was no existing committee to renew their contracts. Similarly, it was an election year therefore a delay in gazettelement of the new committee.
 - II. Committee Expenses: 54.5% - Delays in gazettelement and delays in disbursement
 - III. Use of Goods and Services: 49.4% - Delays in gazettelement and delays in disbursement
 - IV. Transfers to Other Government Units 0% - Delays in gazettelement and delays in disbursement
 - V. Other grants and transfers: 66.1% - Delays in gazettelement and delays in disbursement
 - VI. Other Payments 0% - Delays in gazettelement and delays in disbursement

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|----------------------|
| Description | Amount |
| Budget utilisation difference totals | 109,579,866.03 |
| Less undisbursed funds receivable from the Board as at 30 th June 2023 | 70,176,480.14 |
| | 39,403,385.89 |
| Increase/(decrease) Accounts payable | - |
| (Decrease)/Increase Accounts Receivable | - |
| Add/Less Prior Year Adjustments | . |
| Cash and Cash Equivalents at the end of the 30 th June 2023 | 39,403,385.89 |

The Constituency financial statements were approved by NG CDFC on **13-09-2023** and signed by


Fund Account Manager

Name: Jane Wairimu Muchira


National Sub-County Accountant

Name: Hannah Kariuki
ICPAK M/No: 20511


Chairman NG-CDF Committee

Name: Peter Maina Mwangi

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 Utilization (f=d/c %) |
|---|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 1.0 Administration and Recurrent | | | | | | | |
| 1.1 Compensation of employees | 2,382,000 | 167,636.47 | 228,257 | 2,777,893 | 2,454,959 | 322,934 | |
| 1.2 Committee allowances | 2,393,256 | 1,087,500.00 | | 3,480,756 | 1,352,940.00 | 2,127,816 | |
| 1.3 Use of goods and services | 3,930,000 | 55,681.00 | | 3,985,681 | 1,458,043 | 2,527,638 | |
| Total | 8,705,256 | 1,310,817 | 228,257 | 10,244,330 | 5,265,942 | 4,978,388 | |
| 2.0 Monitoring and evaluation | | | | | | - | |
| 2.1 Capacity building | 900,000 | 1,276,500.00 | | 2,176,500 | 1,525,500 | 651,000 | |
| 2.2 Committee allowances | 1,992,628 | 391,000.00 | | 2,383,628 | 1,846,000 | 537,628 | |
| 2.3 Use of goods and services | 1,460,000 | | | 1,460,000 | 779,369 | 680,631 | |
| Total | 4,352,628 | 1,667,500 | - | 6,020,128 | 4,150,869 | 1,869,259 | |

Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 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 Utilization (f=d/c %) |
|--|--------------------|--------------------------------|--|------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | | Kshs | Kshs | Kshs | |
| 3.0 Emergency | | | | | | | |
| 3.1 Primary Schools | 7,636,190 | | | 7,636,190 | | | |
| CIKO PRIMARY - EMERGENCY | | | | | 2,036,500.00 | | |
| PCEA MUKUA PRIMARY SCHOOL | | | | | 2,648,605.00 | | |
| MUKUBU PRIMARY | | | | | 2,069,695.00 | | |
| 3.2 Secondary schools | | | | - | | - | |
| 3.3 Tertiary institutions | | | | - | | - | |
| 3.4 Security projects | | | | - | | - | |
| 3.5 Unutilised | | | | - | | - | |
| Total | 7,636,190 | - | - | 7,636,190 | 6,754,800 | 881,390 | |
| 4.0 Bursary and Social Security | | | | | | | |
| 4.1 Secondary Schools | 21,271,901 | | | 21,271,901 | 21,271,901 | - | |
| 4.2 Tertiary Institutions | 12,000,000 | 760,388.00 | 6,000,000 | 18,760,388 | 12,642,275 | 6,118,113 | |
| 4.3 Social Security | | | | | | | |
| 4.4 Special Needs | 3,000,000 | | | 3,000,000 | 1,249,533 | 1,750,467 | |
| Total | 36,271,901 | 760,388 | 6,000,000 | 43,032,289 | 35,163,709 | 7,868,580 | |
| 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 Utilization (f=d/c %) |

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

| | 2022-2023 | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | 2022-2023 | 30/06/2023 | | |
|---------------------------------|------------------|-----------------------------------|--|------------------|------------|------------------|--|
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 5.0 Sports | | | | | | | |
| Regional sports tournaments | 300,000.00 | | | 300,000 | | 300,000 | |
| Constituency sports tournaments | 2,601,752.00 | | 2,743,318 | 5,345,070 | | 5,345,070 | |
| Total | 2,901,752 | - | 2,743,318 | 5,645,070 | - | 5,645,070 | |
| 6.0 Environment | | | | | | | |
| Gathaithi Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Githunguri primary school | 290,175.00 | | | 290,175 | | 290,175 | |
| Kamundo Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Kanyore Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Kiairia Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Kiawairia Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Kigumo Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Matuguta Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Miguta Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| Ndireti Primary School | 290,175.00 | | | 290,175 | | 290,175 | |
| | | | | - | | - | |
| Total | 2,901,750 | - | - | 2,901,750 | - | 2,901,750 | |

Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 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 Utilization (f=d/c %) |
|---------------------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 7.0 Primary Schools Projects | | | | | | - | |
| Gathiru-ini Primary School | 1,080,206.00 | | | 1,080,206 | | 1,080,206 | |
| Gathugu Primary School | 2,430,843.00 | | | 2,430,843 | | 2,430,843 | |
| Giathieko Primary School | 956,434.00 | | | 956,434 | | 956,434 | |
| Githiga Primary School | 929,794.00 | | | 929,794 | | 929,794 | |
| Githioro Primary School | 4,076,323.00 | | | 4,076,323 | | 4,076,323 | |
| Githioro Primary School | 261,120.00 | | | 261,120 | | 261,120 | |
| Githunguri Primary School (Kwa Mukua) | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Githunguri Township Primary School | 4,508,410.00 | | | 4,508,410 | | 4,508,410 | |
| Githunguri Township Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Ikinu Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Kahunira Primary School | 460,132.00 | | | 460,132 | | 460,132 | |
| Kanyore Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Kiawaiguru Primary School | 1,961,260.00 | | | 1,961,260 | | 1,961,260 | |
| Kiawairia Primary school | 3,000,000.00 | | | 3,000,000 | | 3,000,000 | |
| Kigumo Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Mathanja Primary School | 2,885,601.00 | | | 2,885,601 | | 2,885,601 | |
| Matuguta Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Mitahato Primary School | 1,249,812.00 | | | 1,249,812 | | 1,249,812 | |

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

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(c = c-d) | % of Utilization (f=d/c %) |
|--|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| Ndireti Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Ngewa Primary School | 938,335.00 | | | 938,335 | | 938,335 | |
| Ngewa Primary School | 3,500,000.00 | | | 3,500,000 | | 3,500,000 | |
| Giathieko Primary School | | | 600,000 | 600,000 | | 600,000 | |
| Gathangari Primary | | | 2,000,000 | 2,000,000 | | 2,000,000 | |
| Total | 52,738,270 | - | 2,600,000 | 55,338,270 | | 55,338,270 | |
| 8.0 Secondary Schools Projects | | | | | | - | |
| Gathaithi Secondary School | 227,760.00 | | | 227,760 | | 227,760 | |
| Kanjai Secondary School | 3,000,000.00 | | | 3,000,000 | | 3,000,000 | |
| Ndireti Secondary School | 1,261,001.00 | | | 1,261,001 | | 1,261,001 | |
| Nyaga Secondary School | 1,591,095.00 | | | 1,591,095 | | 1,591,095 | |
| | | | | - | | - | |
| Total | 6,079,856 | - | - | 6,079,856 | - | 6,079,856 | |
| 9.0 Tertiary institutions Projects | | | | | | - | |
| Kenya Medical Training College- Githunguri | 2,000,000 | | | 2,000,000 | | 2,000,000 | |
| | | | | - | | - | |
| | | | | - | | - | |
| Total | 2,000,000 | | - | 2,000,000 | - | 2,000,000 | |

Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 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 Utilization (f=d/c %) |
|--|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| 10.0 Security Projects | | | | | | - | |
| Ikinu Police Station | 3,000,000.00 | | | 3,000,000 | | 3,000,000 | |
| Kanjai Police Post | 1,500,000.00 | | | 1,500,000 | | 1,500,000 | |
| Karuthi Police Post | 3,000,000.00 | | | 3,000,000 | | 3,000,000 | |
| Kiambururu Police Post | 3,000,000.00 | | | 3,000,000 | | 3,000,000 | |
| Total | 10,500,000 | - | - | 10,500,000 | - | 10,500,000 | |
| 11.0 Acquisition of assets | | | | - | | - | |
| | - | | | - | | - | |
| Total | - | | | - | | - | |
| 13.0 Other payments | | | | | | | |
| Oversight Committee Expenses (itemize) | | | | - | | - | |
| Production and Printing of Training Materials | 200,000.00 | | | 200,000 | | 200,000 | |
| Constituency Oversight Committee Sitting allowance | 500,000.00 | | | 500,000 | - | 500,000 | |
| Other committee expenses | 300,000.00 | | | 300,000 | - | 300,000 | |
| Total | 1,000,000 | | | 1,000,000 | | 1,000,000 | |

*Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 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 Utilization (f=d/c %) |
|----------------------------------|--------------------|--------------------------------|--|---------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2022-2023 | | | 2022-2023 | 30/06/2023 | | |
| Githunguri NG-CDF Office | 480,000.00 | | | 480,000.00 | | 480,000 | |
| Githunguri NG-CDF Strategic Plan | 2,000,000.00 | | | 2,000,000.00 | | 2,000,000 | |
| NG-CDF Motor Vehicle | 7,520,000.00 | | | 7,520,000.00 | | 7,520,000 | |
| ICT HUB | | | 517,303.03 | 517,303.03 | | 517,303 | |
| Total | 11,000,000 | - | 517,303 | 11,517,303 | - | 11,517,303 | |
| 14.0 unallocated fund | | | | | | - | |
| Unapproved projects | | | | | | - | |
| AIA | | | | | | - | |
| PMC savings | | | | | | - | |
| Total | | | - | - | - | - | |
| | 145,087,603 | 3,738,705 | 12,088,878 | 160,915,186 | 51,335,320 | 109,579,866 | |

(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-Githunguri 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. 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.

Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

| Description | <i>2022-2023</i> | <i>2021-2022</i> |
|--------------------|----------------------|-----------------------|
| | Kshs | Kshs |
| NGCDF Board | | |
| AIENo. B140890 | | 33,000,000.00 |
| AIENo. B105438 | | 44,000,000.00 |
| AIENo. B105768 | | 22,000,000.00 |
| AIENo. B128302 | | 5,000,000.00 |
| AIENo. B154011 | | 12,000,000.00 |
| AIENo. B128813 | | 12,000,000.00 |
| AIENo. B164454 | | 18,000,000.00 |
| AIENo. B155816 | | 24,088,879.00 |
| AIE B185061 | 7,000,000.00 | |
| AIE B135338 | 6,000,000.00 | |
| AIE B185601 | 15,000,000.00 | |
| AIE B185891 | 5,000,000.00 | |
| AIE B206348 | 12,000,000.00 | |
| AIE B205732 | 12,000,000.00 | |
| AIE B205994 | 15,000,000.00 | |
| AIE B207859 | 15,000,000.00 | |
| TOTAL | 87,000,000.00 | 170,088,879.00 |

2. Proceeds From Sale of Assets

| | <i>2022-2023</i> | <i>2021-2022</i> |
|--|------------------|------------------|
| | Kshs | Kshs |
| Receipts from sale of Buildings | 0 | 0 |
| Receipts from the Sale of Vehicles and Transport Equipment | 0 | 0 |
| Receipts from sale of office and general equipment | 0 | 0 |
| Receipts from the Sale Plant Machinery and Equipment | 0 | 0 |
| Others (specify) | 0 | 0 |
| Total | 0 | 0 |

*Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
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3. Other Receipts

| | <i>2022-2023</i> | <i>2021-2022</i> |
|--|------------------|------------------|
| | Kshs | Kshs |
| Interest Received | 0 | 0 |
| Rents | 0 | 0 |
| Receipts from sale of tender documents | 0 | 0 |
| Hire of plant/equipment/facilities | 0 | 0 |
| Other Receipts Not Classified Elsewhere (bursary cheques reversal) | 1,039,612 | 0 |
| Total | 1,039,612 | 0 |

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

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

| | <i>2022-2023</i> | <i>2021-2022</i> |
|--|---------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 1,913,068.00 | 1,475,137 |
| Personal allowances paid as part of salary | | |
| House Allowance | - | - |
| Transport Allowance | - | - |
| Leave allowance | - | 129,036 |
| Gratuity to contractual employees | 501,091.00 | 1,087,254 |
| Employer Contributions Compulsory national social security schemes | 40,800.00 | 19,200 |
| Total | 2,454,959.00 | 2,710,627 |

5. Committee Expenses

| | <i>2022-2023</i> | <i>2021-2022</i> |
|--------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Sitting allowance | 1,969,040.00 | 2,951,000 |
| Other committee expenses | 1,229,900.00 | 2,302,500 |
| Total | 3,198,940.00 | 5,253,500.00 |

6. Use of Goods and services

| | <i>2022-2023</i> | <i>2021-2022</i> |
|--|---------------------|---------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | - | 3,988,000.00 |
| Communication, supplies and services | 36,362.00 | 164,012.00 |
| Domestic travel and subsistence | 779,369.00 | - |
| Printing, advertising and information supplies & services | 152,500.00 | 192,500.00 |
| Rentals of produced assets | - | - |
| Training expenses | 1,525,500.00 | 2,208,600.00 |
| Hospitality supplies and services | 204,000.00 | - |
| Insurance costs | - | - |
| Specialised materials and services | - | - |
| Office and general supplies and services | - | - |
| Fuel , oil & lubricants | - | - |
| Other operating expenses | 1,017,000.00 | 2,704,600 |
| Bank Charges | 48,181.00 | 29,352 |
| Security operations | - | - |
| Routine maintenance - vehicles and other transport equipment | - | - |
| Routine maintenance- other assets | - | - |
| Total | 3,762,912.00 | 9,287,064.00 |

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

Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

| Description | 2022-2023 | 2021-2022 |
|--|-----------|--------------------|
| | Kshs | Kshs |
| Transfers To Primary Schools (See Attached List) | - | 100,000,000.00 |
| Transfers To Secondary Schools (See Attached List) | - | 9,500,000.00 |
| Transfers To Tertiary Institutions (See Attached List) | - | 700,000.00 |
| Total | - | 110,200,000 |

8. Other Grants and Other transfers

| | 2022-2023 | 2021-2022 |
|---|----------------------|-----------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 21,271,901.00 | 64,080,886.00 |
| Bursary – tertiary institutions (see attached list) | 13,681,887.00 | 24,058,290.00 |
| Bursary – special schools (see attached list) | 1,249,533.00 | - |
| Mock & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | - |
| Security projects (see attached list) | - | 4,550,000.00 |
| Sports projects (see attached list) | - | 2,674,450.00 |
| Environment projects (see attached list) | - | - |
| Emergency projects (see attached list) | 6,754,800.00 | 7,153,115.00 |
| Roads projects (see attached list) | - | - |
| Total | 42,958,121.00 | 102,516,741.00 |

Githunguri Constituency
National Government Constituencies Development Fund (NGCDF)
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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

| | <i>2022-2023</i> | <i>2021-2022</i> |
|---|------------------|------------------|
| | Kshs | Kshs |
| Purchase of Buildings | 0 | 0 |
| Construction of Buildings | 0 | 0 |
| Refurbishment of Buildings | 0 | 0 |
| Purchase of Vehicles and Other Transport Equipment | 0 | 0 |
| Purchase of Household Furniture and Institutional Equipment | 0 | 0 |
| Purchase of Office Furniture and General Equipment | 0 | 0 |
| Purchase of ICT Equipment, Software and Other ICT Assets | 0 | 0 |
| Purchase of Specialized Plant, Equipment and Machinery | 0 | 0 |
| Rehabilitation and renovation of plant, machinery and equipment | 0 | 0 |
| Acquisition of Land | 0 | 0 |
| Acquisition Intangible Assets | 0 | 0 |
| Total | 0 | 0 |

10. Oversight Committee Expenses

| | <i>2022-2023</i> | <i>2021-2022</i> |
|-----------------------|------------------|------------------|
| | Kshs | Kshs |
| COC Members allowance | 0 | 0 |
| Other COC expenses | 0 | 0 |
| TOTAL | 0 | 0 |

11. Other Payments

| | <i>2022-2023</i> | <i>2021-2022</i> |
|----------------|------------------|------------------|
| | Kshs | Kshs |
| Strategic plan | 0 | 0 |
| ICT Hub | 0 | 0 |
| | 0 | 0 |

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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>Family Bank – Githunguri-002000033430</i> | 39,403,386.45 | 3,738,705 |
| Total | 39,403,386.45 | 3,738,705 |
| | | |
| 12 B: Cash on Hand | | |
| Location 1 | 0 | 0 |
| Location 2 | 0 | 0 |
| Location 3 | 0 | 0 |
| Other Locations (<i>Specify</i>) | 0 | 0 |
| Total | 0 | 0 |
| <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 | 0 | 0 | 0 |
| Total | | 0 | 0 | 0 |

[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) | 0 | 0 |
| Retention held during the year (B) | 0 | 0 |
| Retention paid during the Year (C) | 0 | 0 |
| Closing Retention as at 30 th June D= A+B-C | 0 | 0 |

| 14 B. Gratuity | 2022-2023 | 2021-2022 |
|---|------------------|------------------|
| | KShs | KShs |
| Gratuity as at 1 st July (A) | - | 372,610 |
| Gratuity held during the year (B) | - | 714,644 |
| Gratuity paid during the Year (C) | - | 1,087,254 |
| Closing Gratuity as at 30 th June D= A+B-C | - | - |

15. Fund Balance B/F

| | (1st July 2023-1) | (1st July 2022-2) |
|-------------------------------------|-------------------------------------|-------------------------------------|
| | Kshs | Kshs |
| Bank accounts | 3,738,705 | 63,617,758 |
| Cash in hand | 0 | 0 |
| Imprest | 0 | 0 |
| Total | 3,738,705 | 63,617,758 |
| Less | | |
| Payables - Retention | 0 | 0 |
| Payables - Gratuity | 0 | 0 |
| Fund Balance Brought Forward | 3,738,705 | 63,617,758 |

[Provide short appropriate explanations as necessary]

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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 | 0 | 0 | 0 |
| Cash in hand | 0 | 0 | 0 |
| Accounts Payables | (0) | 0 | (0) |
| Receivables | 0 | 0 | 0 |
| Others (<i>specify</i>) | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

** 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) | 0 | 0 |
| Imprest issued during the year (B) | 0 | 0 |
| Imprest surrendered during the Year (C) | 0 | 0 |
| closing accounts in account receivables D= A+B-C | 0 | 0 |
| Net changes in accounts Receivables D – A | 0 | 0 |

18. Changes In Accounts Payable – Deposits and Retentions

| | 2022-2023 | 2021-2022 |
|---|-----------|-----------|
| | KShs | KShs |
| Deposit and Retentions as at 1 st July (A) | 0 | 0 |
| Deposit and Retentions held during the year (B) | 0 | 0 |
| Deposit and Retentions paid during the Year (C) | 0 | 0 |
| closing account payables D= A+B-C | 0 | 0 |
| Net changes in accounts payables D-A | 0 | 0 |

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

| | 2022-2023 | 2021-2022 |
|-----------------------------|----------------------|------------------|
| | Kshs | Kshs |
| Construction of buildings | 30,218,133.00 | 0 |
| Construction of civil works | 0 | 0 |
| Supply of goods | 0 | 0 |
| Supply of services | 0 | 0 |
| Total | 30,218,133.00 | 0 |

19.2: Pending Staff Payables (See Annex 2)

| | 2022-2023 | 2021-2022 |
|---------------------------|------------------|------------------|
| | Kshs | Kshs |
| NGCDFC Staff | 0 | 0 |
| Others (<i>specify</i>) | 0 | 0 |
| Total | 0 | 0 |

19.3: Unutilized Fund (See Annex 3)

| | 2022-2023 | 2021-2022 |
|---|--------------------|----------------------|
| | Kshs | Kshs |
| Compensation of employees | 322,934.00 | 395,893.00 |
| Use of goods and services | 6,524,713.00 | 2,810,681.00 |
| Amounts due to other Government entities (see attached list) | 63,418,126.00 | 2,600,000.00 |
| Amounts due to other grants and other transfers (see attached list) | 27,796,789.00 | 9,503,705.00 |
| Acquisition of assets | | |
| Other Payments (<i>specify</i>) | 11,517,303.00 | 517,303.00 |
| Funds pending approval | 0 | 0 |
| Total | 109,579,865 | 15,827,583.00 |

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18.4: PMC account balances (See Annex 5)

| | 2022-2023 | 2021-2022 |
|--|------------------|----------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | 5,865,138.21 | 51,472,221.00 |
| Total | 5,865,138.21 | 51,472,221.00 |

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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 |
|--|-----------------|-----------------|---------------------|---------------------|
| | A | b | C | d=a |
| Construction of buildings | | | | |
| GATHAITHI SEC SCH (ABLUTION) | | | | 267,7 |
| GATINA PRY SCH | | | | 362,2 |
| GATHANGARI PRY SCH | | | | 1,576,7 |
| NGINDURI PRY SCH | | | | 431,4 |
| GITHIGA PRIMARY SCHOOL(TOILET BLOCK) | | | | 594,2 |
| KAHUNIRA PRY SCH | | | | 460,7 |
| MITAHATO PRY SCH | | | | 1,249,8 |
| GATHAITHI SEC SCH(re-roofing) | | | | 227,7 |
| NGEWA PRY SCH | | | | 938,8 |
| GATHIRU-INI PRY SCH | | | | 1,080,2 |
| GITHIGA PRY SCH(Conversion of classrooms into dormitories) | | | | 929,7 |
| NYAGA SEC SCH | | | | 1,591,0 |
| KIAWAIGURU PRY SCH (Paving) | | | | 1,961,2 |
| GITHICORO PRY SCH | | | | 4,076,8 |
| GIATHIEKO PRY SCH | | | | 1,651,4 |
| GITHUNGURI TOWNSHIP | | | | 4,508,4 |
| KANJAI POLICE POST | | | | 2,349,8 |
| MATHANJA PRY SCH | | | | 2,885,6 |
| NDIRETI SEC. SCHOOL | | | | 2,814,4 |

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| Supplier of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstar Balar |
|---|-----------------|-----------------|---------------------|----------------|
| GITHIORO PRIMARY SCHOOL(ABLUTION BLOCK) | | | | 261, |
| Sub-Total | | | | 30,2 |
| Construction of civil works | | | | |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| Sub-Total | | | | |
| Supply of goods | | | | |
| 4. | | | | |
| 5. | | | | |
| 6. | | | | |
| Sub-Total | | | | |
| Supply of services | | | | |
| 7. | | | | |
| Sub-Total | | | | |
| Grand Total | | | | 30,218, |

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Annex 2 - Analysis of Pending Staff Payables

| Name of Staff | Designation | Date employed | Outstanding Balance 30 th June 2023 |
|---------------|-------------|---------------|---|
| 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 | |
|---|--|-------------------------------|-------------------------------|---------|
| | | | | |
| Compensation of employees | | 322,934.47 | 0 | |
| Use of goods & services | | 6,524,712.98 | 0 | |
| Amounts due to other Government entities | | | | |
| Gathaiithi Secondary School | Additional funds for renovation | 227,760.00 | | Pending |
| Kanjai Secondary School | Construction of classrooms – phase 1 | 3,000,000.00 | | Pending |
| Ndireti Secondary School | Additional funds for construction of a laboratory | 1,261,001.00 | | Pending |
| Nyaga Secondary School | Additional funds for construction of Library and equipping | 1,591,095.00 | | Pending |
| Gathiru-ini Primary School | Additional funds for completing renovation | 1,080,206.00 | | Pending |
| Gathugu Primary School | Renovation to completion of four classrooms: | 2,430,843.00 | | Pending |
| Giathieko Primary School | Additional funds for completing conversion of classrooms to a hall and renovations works | 956,434.00 | | Pending |
| Githiga Primary School | Additional funds for completing renovation | 929,794.00 | | Pending |
| Githioro Primary School | Additional funds for completing renovation | 4,076,323.00 | | Pending |
| Githioro Primary School | Additional funds for completing of ablution block | 261,120.00 | | Pending |
| Githunguri Primary School (Kwa Mukua) | Construction of a modern kitchen | 3,500,000.00 | | Pending |
| Githunguri Township Primary School | Additional funds for completion of construction of 27,000 square feet paving slabs | 4,508,410.00 | | Pending |

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| Name | Brief Transaction Description | Outstanding Balance 2022-2023 | Outstanding Balance 2021-2022 | |
|--|---|-------------------------------|-------------------------------|---------|
| Githunguri Township Primary School | Construction of a laboratory | 3,500,000.00 | | Pending |
| Ikinu Primary School | Construction of a modern kitchen | 3,500,000.00 | | Pending |
| Kahunira Primary School | Additional funds for completing renovation | 460,132.00 | | Pending |
| Kanyore Primary School | Construction of a modern kitchen | 3,500,000.00 | | Pending |
| Kiawaiguru Primary School | Additional funds for completing renovation and construction of paving slabs | 1,961,260.00 | | Pending |
| Kiawairia Primary school | Fencing of the school(wall and chainlink) | 3,000,000.00 | | Pending |
| Kigumo Primary School | Construction of a modern kitchen | 3,500,000.00 | | Pending |
| Mathanja Primary School | Additional funds for completing of renovation | 2,885,601.00 | | Pending |
| Matuguta Primary School | Construction of a laboratory | 3,500,000.00 | | Pending |
| Mitahato Primary School | Additional funds for completing of renovation | 1,249,812.00 | | Pending |
| Ndireti Primary School | Construction of a modern kitchen | 3,500,000.00 | | Pending |
| Ngewa Primary School | Additional funds for completing of renovation | 938,335.00 | | Pending |
| Ngewa Primary School | Construction of a laboratory | 3,500,000.00 | | Pending |
| Giathieko Primary School | Renovation of classrooms | 600,000.00 | | Pending |
| Gathangari Primary | Additional funds for completing of renovation | 2,000,000.00 | | Pending |
| Kenya Medical Training College- Githunguri | Construction of perimeter wall | 2,000,000.00 | | Pending |
| Sub-Total | | 63,418,126.00 | 0 | Pending |
| Amounts due to other grants and other transfers | | | | Pending |
| Ikinu Police Station | Construction of a modern police station | 3,000,000.00 | | Pending |
| Kanjai Police Post | Construction of a modern police post | 1,500,000.00 | | Pending |

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| Name | Brief Transaction Description | Outstanding Balance 2022-2023 | Outstanding Balance 2021-2022 | Comments |
|---|--|--------------------------------------|--------------------------------------|-------------------------------|
| Karuthi Police Post | Construction of a modern police post | 3,000,000.00 | | Pending Disbursement of funds |
| Kiambururu Police Post | Construction of a modern police post | 3,000,000.00 | | Pending Disbursement of funds |
| Gathaithi Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Githunguri primary school | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Kamundo Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Kanyore Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Kiairia Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Kiawairia Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Kigumo Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Matuguta Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Miguta Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Ndireti Primary School | Installation of water tanks | 290,175.00 | | Pending Disbursement of funds |
| Regional sports tournaments | To carry out a sports tournament | 300,000.00 | | Pending Disbursement of funds |
| Constituency sports tournaments | To carry out a sports tournament | 5,345,070.00 | | Pending Disbursement of funds |
| bursary tertiary | Award bursary to needy students | 6,118,113.00 | | Pending Disbursement of funds |
| bursary special | Award bursary to needy students | 1,750,467.00 | | Pending Disbursement of funds |
| Emergency | To carry out emergency response activities | 881,390.00 | | Pending Disbursement of funds |
| Sub-Total | | 27,796,790.00 | 0 | |
| Acquisition of assets | | | | |
| | | | | |
| Oversight Committee Expenses (itemize) | | | | |
| COC Members allowance | | 500,000.00 | | |
| Other COC expenses | | 300,000.00 | | |
| Production and Printing of Training Materials | | 200,000.00 | | |

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| Name | Brief Transaction Description | Outstanding Balance 2022-2023 | Outstanding Balance 2021-2022 | Comments |
|----------------------------------|-------------------------------|----------------------------------|----------------------------------|----------|
| | | 1,000,000.00 | | |
| Others (specify) | | | | |
| Githunguri NG-CDF Office | | 480,000 | | |
| Githunguri NG-CDF Strategic Plan | | 2,000,000 | | |
| NG-CDF Motor Vehicle | | 7,520,000 | | |
| ICT HUB | | 517,303 | | |
| Sub-Total | | 10,517,303.00 | | |
| Funds pending approval | | 0 | | |
| Grand Total | | 109,579,866.06 | | |

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 | | | | |
| Buildings and structures | 10,688,082.00 | | | 10,688,082.00 |
| Transport equipment | | | | |
| Office equipment, furniture and fittings | 1,194,360.00 | | | 1,194,360.00 |
| ICT Equipment, Software and Other ICT Assets | 795,000.00 | | | 795,000.00 |
| Other Machinery and Equipment | | | | |
| Heritage and cultural assets | | | | |
| Intangible assets | | | | |
| Total | 12,677,442.00 | | | 12,677,442.00 |

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

| | | | | |
|-----------------------------|-------------------------|----------------|--------------|--------------|
| Kahunira Pry Sch | Family bank-Githunguri | 0 002000040108 | 867.80 | - |
| Gathaiti Sec Sch | Family bank-Githunguri | 0 002000037904 | 280,786.00 | 281,086.00 |
| Gathiru-Ini Pry Sch | Family Bank-Githunguri | 0 002000039961 | 2,926.80 | 4,600,000.00 |
| Gatina Primary School | Family Bank -Githunguri | 0 002000037937 | 363,207.00 | 363,207.00 |
| Giathieko Pry Sch | Family Bank-Githunguri | 0 002000037393 | 95,163.00 | 95,163.00 |
| Githiga Pry Sch | Family Bank-Githunguri | 0 002000039855 | 595,748.60 | 5,867,676.40 |
| Githioro Pry Sch | Family Bank-Githunguri | 0 002000039856 | 2,322.60 | 4,895,124.00 |
| Githunguri Township Pry Sch | Family Bank-Githunguri | 0 002000040017 | 3,244.40 | 3,800,000.00 |
| Kanjai Police Post | Family Bank-Githunguri | 0 002000040175 | 1,907,673.40 | - |
| Kiawaiguru Pry Sch | Family Bank-Githunguri | 0 002000037903 | 2,698.00 | 2,856,201.00 |
| Mathanja Pry Sch | Family Bank-Githunguri | 0 002000040048 | 76,216.20 | 4,400,000.00 |
| MITAHATO PRIMARY SCHOOL | FAMILY BANK | 0 002000040012 | 3,425.80 | 4,800,000.00 |
| Ndireti Sec. School | Family Bank-Githunguri | 0 002000039975 | 1,553,459.40 | 4,800,000.00 |
| Nginduri Primary School | Family Bank-Githunguri | 0 002000040013 | 510,274.00 | 4,800,000.00 |
| Nyaga Sec Sch | Family Bank-Githunguri | 0 002000039863 | 164,880.20 | 4,700,000.00 |
| Mitahato Pry Sch | Family bank-Githunguri | 0 002000040012 | 3,425.80 | 3,425.80 |
| CIIKO PRIMARY SCHOOL | FAMILY BANK | 0 002000036401 | 162.00 | 5,984.00 |
| GAKOE CHIEFS CAMP | FAMILY BANK | 0 002000036590 | 212.00 | 212.00 |
| GATHANGARI PRIMARY SCHOOL | FAMILY BANK | 0 002000037902 | 106,342.00 | 106,342.00 |
| GATHANJI PRIMARY SCHOOL | FAMILY BANK | 0 002000038328 | 4,281.00 | 4,281.00 |
| GATITU PRIMARY SCHOOL | FAMILY BANK | 0 002000035260 | 8,837.00 | 8,837.00 |
| GITHUNGURI ICT CENTRE HALL | FAMILY BANK | 0 002000038036 | 46,402.00 | 46,502.00 |
| GITOMBO PRIMARY SCHOOL | FAMILY BANK | 0 002000037895 | 769.00 | 1,849.00 |
| IKINU PRIMARY SCHOOL | FAMILY BANK | 0 002000031310 | 200.14 | 200.00 |
| KAGEMA PRIMARY SCHOOL | FAMILY BANK | 0 002000036400 | 6,826.00 | 6,826.00 |
| KAHUNIRA PRIMARY SCHOOL | FAMILY BANK | 0 002000040108 | 867.80 | 867.00 |
| KANJAI PRIMARY SCHOOL | FAMILY BANK | 0 002000036397 | 2,154.00 | 2,154.00 |
| KANYORE PRIMARY SCHOOL | FAMILY BANK | 0 002000036448 | 236.00 | 236.00 |
| KARIA SECONDARY SCHOOL | FAMILY BANK | 0 002000020613 | 107.50 | 107.50 |
| KIAMBURURU PRIMARY SCHOOL | FAMILY BANK | 0 002000037900 | 3,538.00 | 3,538.00 |

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| | | | | |
|--------------------------------|-------------|----------------|---------------------|----------------------|
| KIARIA PRIMARY SCHOOL | FAMILY BANK | 0 002000036444 | 1,322.00 | 1,322.00 |
| KIHURIRIO PRIMARY SCHOOL | FAMILY BANK | 0 002000037899 | 11,463.00 | 11,463.00 |
| KINDIGA PRIMARY SCHOOL | FAMILY BANK | 0 002000031312 | 389.00 | 2,789.00 |
| MATUGUTA CHIEFS OFFICE | FAMILY BANK | 0 002000036591 | 122.00 | 2,044.00 |
| MATUGUTA PRIMARY SCHOOL | FAMILY BANK | 0 002000037894 | 3,684.00 | 3,684.00 |
| MIIRI PRIMARY SCHOOL | FAMILY BANK | 0 002000035529 | 3,270.00 | 3,270.00 |
| MIIRI SECONDARY SCHOOL | FAMILY BANK | 0 002000036446 | 1,024.00 | 1,024.00 |
| MUKUBU PRIMARY SCHOOL | FAMILY BANK | 0 002000036445 | 6,120.00 | 6,120.00 |
| NJUNU PRIMARY SCHOOL | FAMILY BANK | 0 002000036449 | 1,758.00 | 1,758.00 |
| WAJENGA AP POST | FAMILY BANK | 0 002000028720 | 298.77 | 298.77 |
| WILLIAM NGIRU GITAU(IKINU SEC) | FAMILY BANK | 0 002000035259 | 29,609.00 | 29,609.00 |
| GATAKA PRIMARY SCHOOL | EQUITY BANK | 0 930280942029 | 18,609.00 | 18,609.00 |
| NGEWA PRIMARY SCHOOL | EQUITY BANK | 0 930280956786 | 39,525.00 | 5,003,509.00 |
| | | | 5,865,138.21 | 51,472,221.00 |

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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 | <p>Irregular Use of Emergency Funds The statement of receipts and payments and Note 7 to the financial statements reflects other grants and other transfers amounting to Kshs. 102,516.741. Included in the amount is Kshs.7,153,115 in respect of emergency payments. Review of ledger indicated that the payments were in respect of reroofing of leaking class room at a local secondary school at cost of Kshs. 3,994,251 and construction of toilets in two (2) primary schools at Kshs.3.158,864. However, there was no evidence that the expenditure referred to above arose from urgent and unforeseen need. This is contrary to Section 8 of the National Government Constituencies Development Fund (NG-CDF) Act, 2015 in relation emergency reserve, which provides that "Emergency" shall be construed to mean a urgent. unforeseen need for expenditure for which it is in the opinion of the committee, that it cannot be delayed until the next financial year, without harming the public interest of the</p> | <p>The utilization of Emergency reserve was within the law as it concentrated on the education related projects within the financial year under review. The management did also report on quarterly basis regarding the utilization of this vote to the NG-CDF Board.</p> | Unresolved | 31 st December 2023 |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|--|--------------------------------------|---|
| | <p>constituents.</p> <p>In addition, there was no evidence that the utilization of emergency reserve was reported to the Board within thirty (30) days as required by Regulation 20(2) of the NG-CDF Regulations, 2016 which provides that utilization of emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency in the format prescribed by the Board.</p> <p>In the circumstances, Management was in breach of the law.</p> | | | |
| 2 | <p>Irregular and Stalled Construction of a Modern Fifty (50) Capacity Laboratory</p> <p>The statement of receipts and payments and Note 6 to the financial statements reflect payments totaling to Kshs. 110,200,0000 in respect of transfer to other Government units. Review of payment and procurement records revealed that a tender was awarded to a Jocal firm for construction of a modern fifty (50) capacity laboratory at a local secondary school at contract sum of Kshs.4.993,208. The budget for the project was Kshs. 4,800,000 resulting to unapproved excess expenditure of Kshs.t93,208. The contract was awarded on 24 May, 2022 and the completion date and duration of the contract</p> | <p>This is an ongoing project thus the contractor is yet to be paid an amount of Kshs. 1,317,059 for interim certificate 2 and we still have retention which will take care of making good of the defects.</p> | Not Resolved | 31 st December 2023 |

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|--------------------------------------|---|
| | <p>was not stated.</p> <p>Field inspection carried out at the time of audit in 9 March, 2023 revealed that the was incomplete and the contractor was not on site. In addition, the project status report from the engineer was not provided for audit. the wall had developed cracks, as an indication of poor workmanship and a signage was not erected on site. This was contrary to the provisions of Section 9(1)(e) of the Public Audit act 2015 which states that without prejudice to the powers given under the Constitution and this Act and for the purposes of carrying out his or her duties effectively, the Auditor-General, or an officer authorized for the purpose of this Act, shall have powers of unrestricted access to all books, records returns, reports. electronic or otherwise and other documents of entities listed under Article 229(4) of the constitution</p> <p>In the circumstances, value for money may not have been achieved from the expenditure of Kshs. 4,993,208 on the project for the year ended 30 June, 2022. Also, Management was in breach of the law</p> | | | |
| 3 | <p>Incomplete Asset Register</p> <p>Annex 4 to the financial statements reflects summary of fixed asset register, Which reflects various categories of assets valued at historical</p> | 1. Githunguri NG-CDF offices are sits on a | Not Resolved | 31 st December 2023 |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|--|--|-----------------------------------|--|
| | <p>cost Of Kshs. 12.677,442. However, the value of assets reflected in the assets register provided for audit review amounted to Kshs1.974.130 resulting in an unexplained variance of Kshs. 10,703,312. In addition, review of the fixed asset register revealed that the register reflected only desktop and laptop computers, printers, tables, seats and printers, but did not include details of land buildings and structures, necessary for tracking and control.</p> <p>Further. the Fund occupies land of unknown size and value which was given to it by the County Commissioner. However, the Fund does not have an allotment letter or title deed for the land in its name, as proof of ownership. This is contrary to Section 72 of the public finance Management Act, 2012 which states that the accounting officer for a national government entity shall be responsible for the management of the entity's assets and liabilities; and manage those assets in a manner which ensures that the national government entity achieves value for money in acquiring, using and disposing of those assets.</p> <p>In the circumstances, Management was in breach of the law and the effectiveness of the internal controls over the fixed assets could not be confirmed.</p> | <p>Government land together with all other government offices within Githunguri. Sub County. It cannot therefore claim ownership thus non-inclusion in the asset register.</p> <p>2. The management has made corrections on the error noted in the asset register to reflect the same as indicated in Annex 4 – Summary of Fixed Asset Register of the financial statements (See attached a copy of the Asset Register)</p> <p>Appendix XVII</p> <p>3. The management</p> | | |

Githunguri Constituency

National Government Constituencies Development Fund (NGCDF)

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

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|---|-----------------------------------|--|---|---|
| | | has communicated to the relevant authorities requesting for allotment papers in regard to Githunguri NG-CDF (See attached a copy of the letter) Appendix XVIII | | |

[Handwritten Signature]

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Name
Fund Account Manager.