

REPUBLIC OF KENYA




*Enhancing Accountability*

**REPORT**

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR GENERAL**

OF	
	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 03 MAR 2025	DAY: Wednesday
TABLED BY:	Hon. Owen Bayo, MP Deputy Majority Leader
CLERK-AT-THE-TABLE:	Esther Njiru D
ON	

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

**FOR THE YEAR ENDED  
30 JUNE, 2024**



---

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**FUNYULA CONSTITUENCY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2024**

---

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

<b>Table of Contents</b>	<b>Page</b>
1. Acronyms and Definition of Key Terms .....	ii
2. Key Constituency Information and Management .....	iii
3. NG-CDFC Chairman’s Report .....	vii
4. Statement of Performance Against Predetermined Objectives for FY 2023/24 .....	xvii
5. Governance Statement .....	xx
6. Environmental and Sustainability Reporting .....	xxviii
7. Statement of Management Responsibilities .....	xxxii
8. Report of the Independent Auditors on the NGCDF- Funyula Constituency .....	xxxiv
9. Statement of Receipts and Payments for the Year Ended 30th June 2024 .....	1
10. Statement of Assets and Liabilities as at 30th June, 2024 .....	2
11. Statement Of Cash Flows for the Year Ended 30th June 2024 .....	3
12. Summary Statement of Appropriation for The Year Ended 30 <sup>th</sup> June 2024 .....	4
13. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2024... 5	
14. Significant Accounting Policies .....	15
15. Notes To the Financial Statements.....	20
16. Annexes .....	31



**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

AIE	Authority to Incur Expenditure
ARMC	Audit and Risk Management Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMC	Project Management Committee
PWD	Persons with Disability
FY	Financial Year

**B. Definition of Key Terms**

**Fiduciary Management** - Members of Management directly entrusted with the entity's financial resources.

**Comparative Year**- Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)*



## 2. Key Constituency Information and Management

### (a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2023. 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 the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

### Mandate

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

- a) Recognize the constituency as a platform for the 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) 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.

#### **Vision**

Equitable Socio-economic development countrywide.

#### **Mission**

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

#### **Core Values**

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

### **Functions of NG-CDF Committee**

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

#### **(b) Key Management**

The NGCDF Funyula Constituency's 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)

#### **(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Gregory K.Otaalo
2.	National Sub-County Accountant	Paul Ojiambo
3.	Chairman NGCDFC	Andrew Odoury
4.	Member NGCDFC	Shakina Ousman

#### **(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Funyula Constituency. The reports and recommendations of ARMC, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.



**(e) NGCDF Funyula Constituency Headquarters**

P.O. Box 44-50406  
FUNYULA –Off Matayos Road- Busia  
Funyuja, KENYA

**(f) NGCDF Funyula Constituency Contacts**

Telephone: (254) 721-925-048  
E-mail: [cdffunyula@ngcdf.go.ke](mailto:cdffunyula@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) NGCDF Funyula Constituency Bankers**

1. Equity Bank Funyula NG-CDF 0780292650348  
Busia Branch  
P.O.Box 75104 - 00200  
Nairobi

**(h) Independent Auditor**

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

**(i) Principal Legal Adviser**

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

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



**Andrew Oduory**

I'm pleased to present an insightful analysis of Funyula NG-CDF's financial performance for the fiscal year 2023-2024, focusing on the variances between budgeted allocations and actual expenditures across key spending categories.

**For Compensation of Employees**, the budget of Kshs. 5,118,812 was underutilized, with actual spending at Kshs. 3,800,793 resulting in a 74% utilization rate.

**Committee Expenses** had actual expenditures of Kshs. 8,878,110, against a budget of Kshs. 1,790,578, leading to a 496% overutilization rate.

The **Use of Goods and Services** category saw a utilization rate of 139%, with actual spending of Kshs. 9,686,197 compared to the budget of Kshs. 6,942,347

**Transfers to Other Government Units** showed significant underutilization, with only Kshs. 76,069,453 spent out of a Kshs. 142,504,407 budget, resulting in a 54% utilization rate.

**Other Grants and Transfers** had actual expenditures of Kshs. 99,509,423 against a budget of Kshs. 93,474,521 leading to an 101% utilization rate.

Lastly, **Other Payments** had a utilization rate of 10%, with Kshs. 999,750 spent against a budget of Kshs. 10,000,000, and an underutilization of Kshs. 9,000,250.

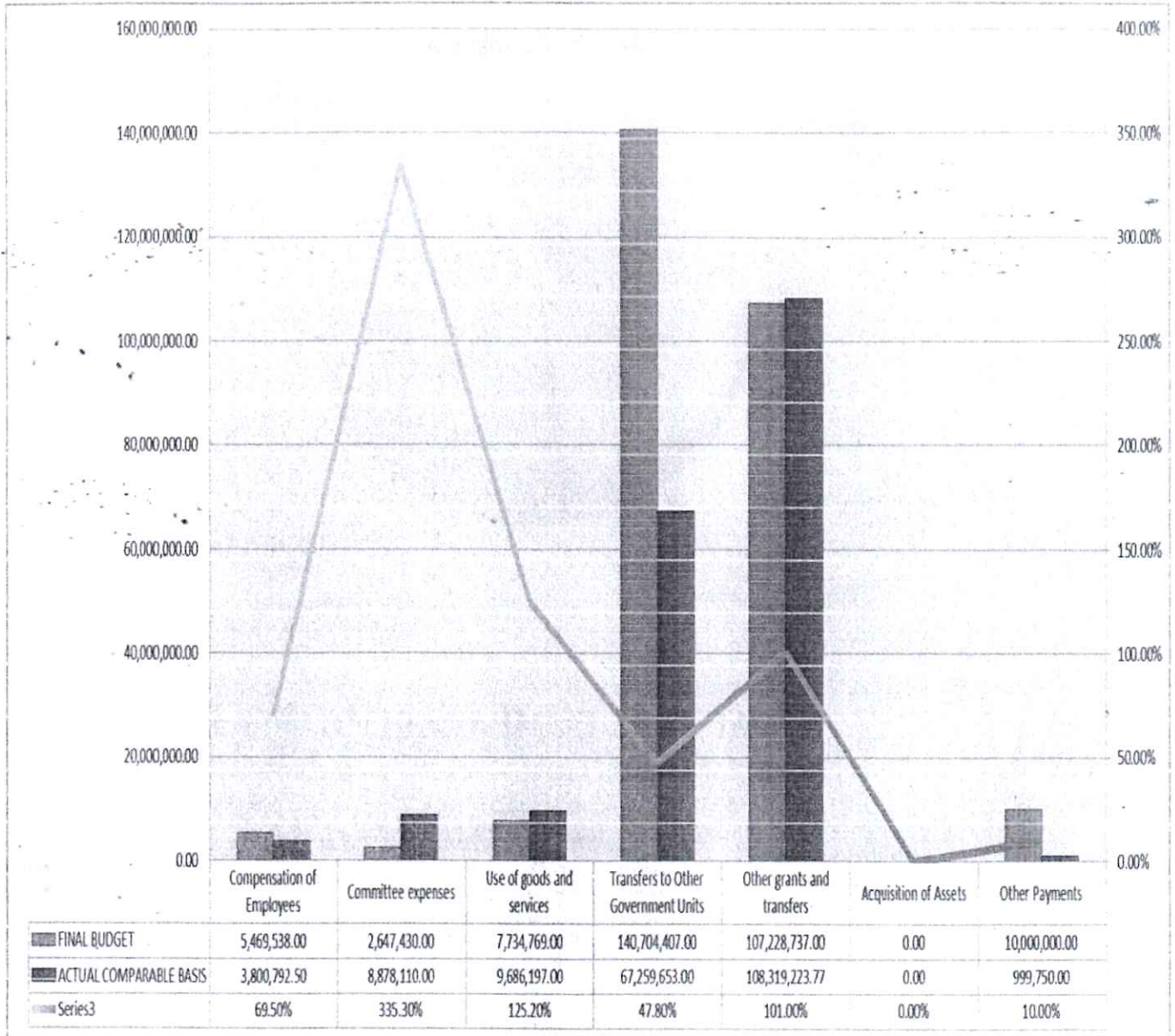
**In Conclusion**, The overall financial performance for the 2023-2024 fiscal year reveals areas of both strong budget adherence and opportunities for improvement. The significant underutilization in certain categories, particularly in Transfers to Other Government Units and Acquisition of Assets, is primarily due to delays in fund disbursements from the exchequer. These delays disrupt the planned execution of projects, resulting in lower-than-anticipated expenditures within the fiscal year. Moving forward, ensuring timely release of funds is critical for optimal budget utilization and the achievement of intended development goals.

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

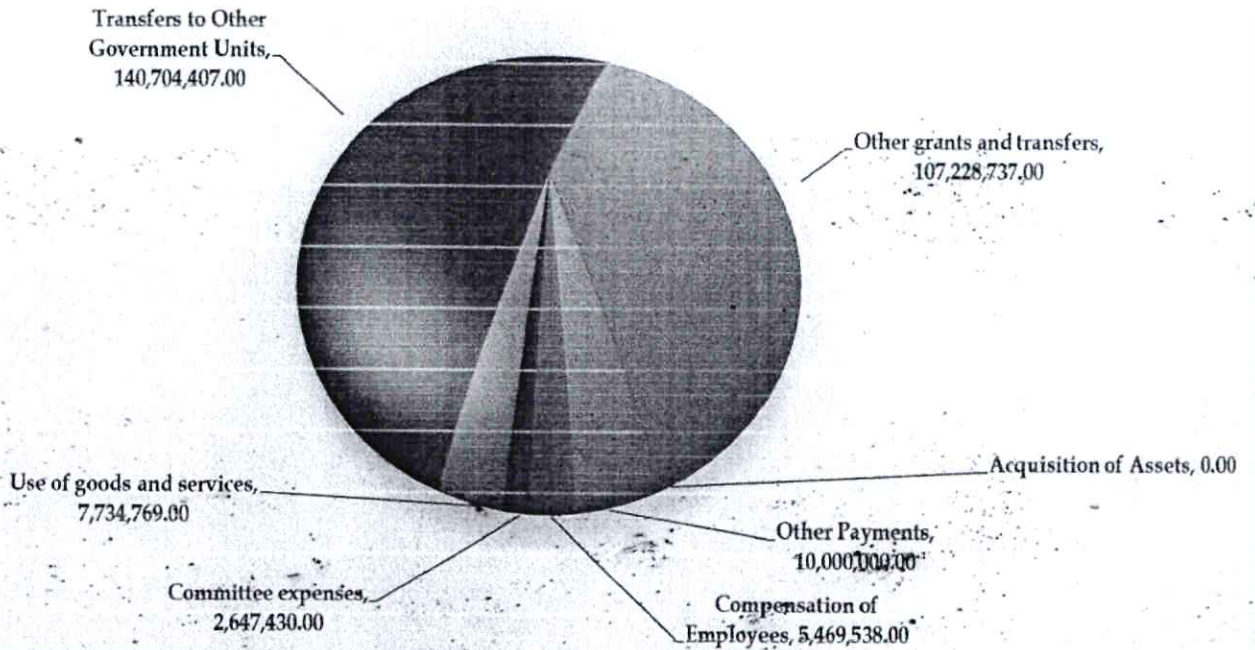
<b>PAYMENTS</b>	<b>Final Budget</b>	<b>Actual Comparable Basis</b>	<b>% utilization</b>
Compensation of Employees	5,118,812	3,800,793	74%
Committee Expenses	1,790,518	8,878,110	496%
Use of goods and services	6,942,347	9,686,198	139%
Transfers to Other Government Units	142,504,407	76,069,453	54%
Other grants and transfers	93,474,521	99,509,423	107%
Acquisition of Assets		-	0%
Other Payments	10,000,000	999,750	10%



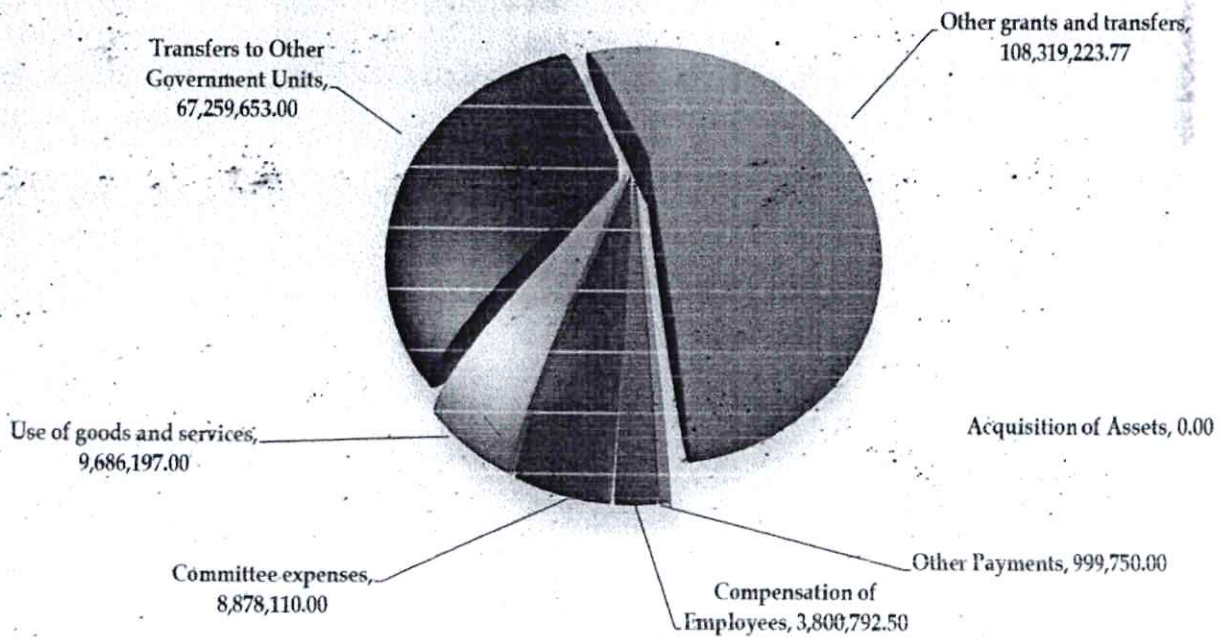
**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**



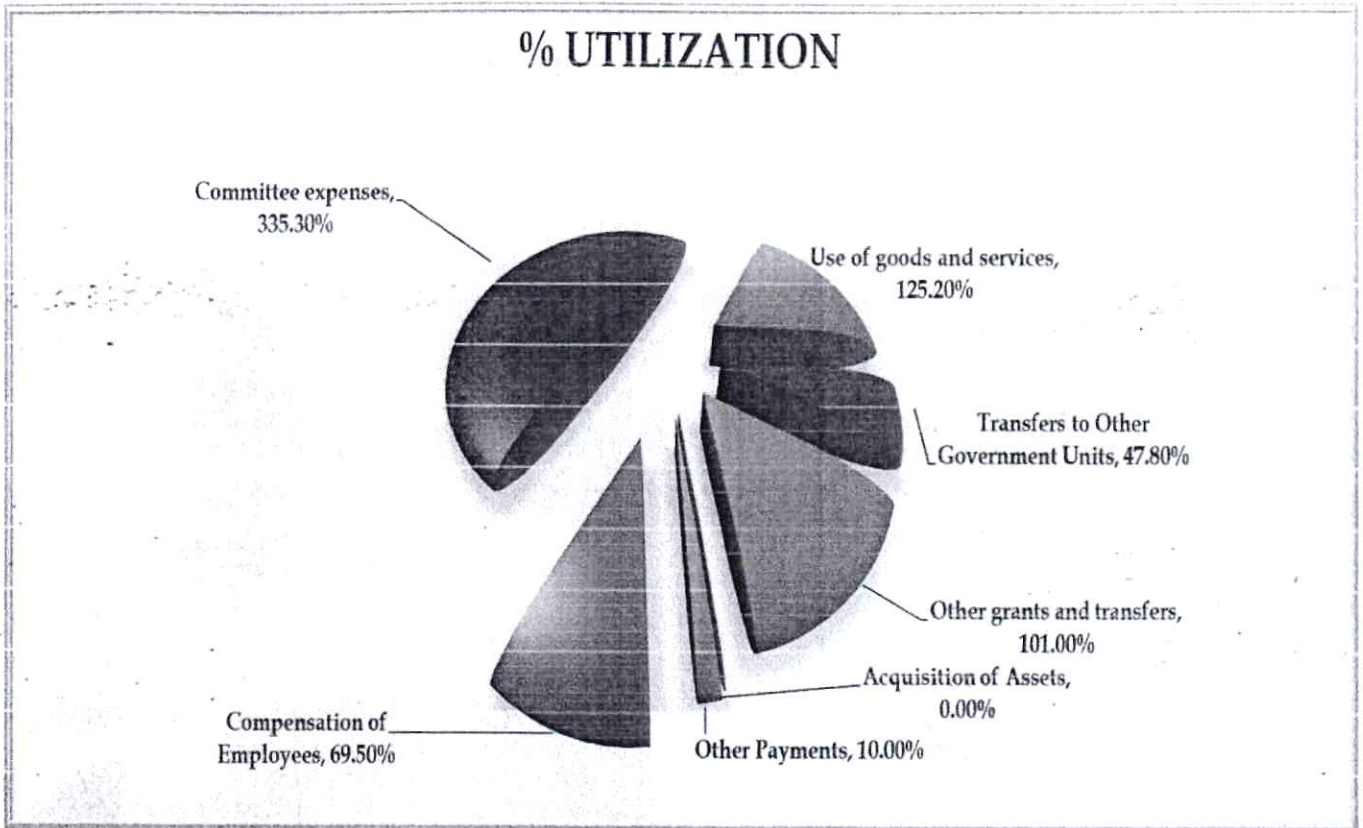
### FINAL BUDGET



### ACTUAL COMPARABLE BASIS





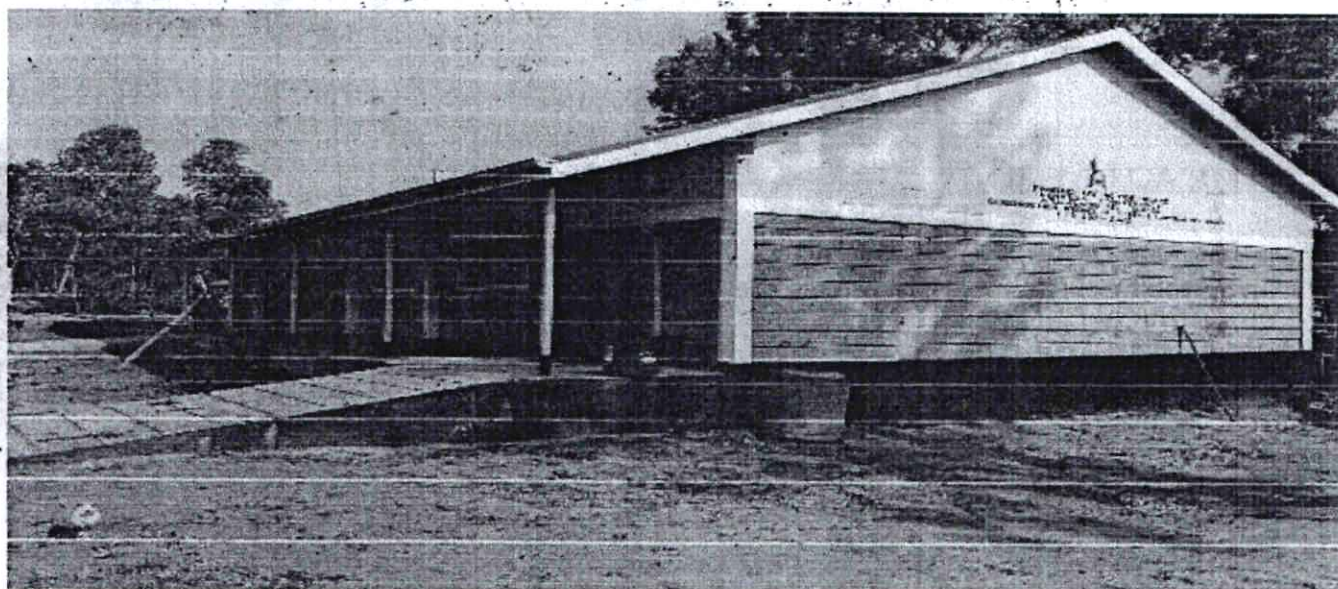


#### **KEY ACHIEVEMENTS**

Funyula NG-CDF has undertaken various steps in transforming the constituency i.e Bursary disbursement to bright and needy students, construction of structures such as classrooms, science laboratories, administration offices, police stations and posts and water projects .

The following are some of the key projects that have been undertaken.





### ***Emerging issues related to Funyula NG - CDF***

The following are some of the emerging issues that are experienced as a result of the current economy.

#### **1. Restructuring of the Education Funding**

The move by the government to restructure the education funding for the tertiary institutions through changing of the HELB funding structure has brought a lot of

pressure to the NGCDF Bursary Funds as many students are now seeking for scholarships from the constituency to enable them continue with their studies

## **2. Junior Secondary School**

The introduction of the Junior Secondary School through the CBC Education system has brought a lot of pressure to the existing facilities in various primary schools. There is need for construction and equipping of new classrooms and laboratories to accommodate the students.

## **3. Inflation Rates**

With the current economic position where the rate of exchange of Kenyan shillings to dollar continues to rise, there has been an increase in the cost of construction materials. Hence those projects that were submitted to the board before inflation may not be completed with the original budgeted cost necessitating need for variations and additional funding.

### **The implementation challenges and recommended way forward.**

#### **a) Digital education infrastructure.**

Funyula NG- CDF is investing in providing schools with digital devices such as laptops and building computer laboratories. This is to enhance the current trend of digitization in learning.

#### **b) Post- pandemic recovery.**

Funyula NG- CDF has continuously allocated funds to support Covid 19 recovery in schools by issuing bursaries to needy and vulnerable students.

#### **c) Insecurity.**

Funyula NG- CDF is actively involved in mitigating the insecurity challenges within the constituency. This has been achieved by ensuring there are swift security measures such as construction of Chiefs', Assistant Chiefs' and Police Stations across the constituency.

#### **d) Climate change.**

Funyula NG- CDF has continuously adopted climate resilient construction practices. This has been achieved through collaborating with experts to design infrastructure



that can withstand climate related challenges and is considering future climate change projections in planning.

- ❖ There is need to align the NG CDF Act 2015 to the Constitution of Kenya
- ❖ Need for increase of the constituency yearly allocation
- ❖ Sufficient allocation of funds to projects for completion & immediate use
- ❖ Need for timely disbursements as stipulated in the NG CDF Act 2015
- ❖ Need for continuous training of NG CDFC, NG CDFC staff, PMCs & various stakeholders on relevant government laws, regulations and procedure governing NG CDF operations.
- ❖ Need for recruitment of technical staff
- *You may include photos of successfully implemented projects during the year to underscore the performance of the constituency.*
- **Emerging issues related to Funyula NG - CDF**
  - i. **Covid-19 Pandemic:**

The declining economic environment occasioned by the Covid-19 pandemic has led to an increase in needy students. Consequently, there is a need for additional funding to support the recovery of schools, including addressing learning gaps and providing mental health support for students.
  - ii. **Climate Change:**

Harsh environmental conditions such as drought and floods caused by climate change have severely affected school infrastructure. Building schools that are resilient to climate change effects, such as flooding or extreme weather events, is becoming increasingly important to ensure the safety of students and the longevity of the infrastructure.
  - iii. **Evolving Education Models:**

The transition from the 8-4-4 system to the Competency-Based Curriculum (CBC) has created a demand for new laboratories, classrooms, and equipment to support Junior Secondary School education. Exploring and funding alternative



education models, including CBC and online education, to adapt to changing educational needs is an on-going consideration.

**iv. Digital Education Infrastructure:**

The need for digital infrastructure in schools, including providing students with devices and improving internet access for online learning, has become more pressing due to the increasing reliance on technology in education.

**v. Insecurity:**

Given the on-going security challenges in some regions, there is a growing need for additional resources to improve security measures in schools, such as the installation of surveillance systems and training for security personnel.

**vi. Inflation and Property Destruction:**

The variation of prices due to inflation and the destruction of properties by demonstrators have further strained financial resources. These economic pressures necessitate adjustments in budgeting to accommodate rising costs and repair damaged infrastructure.

o *The implementation challenges and recommended way forward.*

**i. Covid-19 Pandemic**

- **Challenge:** Increased number of needy students and strain on educational resources.
- **Recommended Way Forward:** Secure additional funding to support recovery efforts, address learning gaps, and provide mental health support for students.
- **Actions Taken:** The entity is actively seeking supplementary grants and donations. Schools are implementing targeted support programs and mental health initiatives for students.

**ii. Climate Change**

- **Challenge:** Severe damage to school infrastructure from droughts and floods.
- **Recommended Way Forward:** Invest in building schools that are resilient to climate change effects and enhance existing infrastructure to withstand extreme weather events.

- **Actions Taken:** The entity is incorporating climate-resilient designs in new school construction projects and retrofitting existing buildings with necessary adaptations.
- iii. **Evolving Education Models**
- **Challenge:** Transition to CBC requiring new laboratories, classrooms, and equipment for Junior Secondary School.
  - **Recommended Way Forward:** Develop and fund infrastructure upgrades to meet the demands of CBC, including laboratories and modern classroom facilities.
  - **Actions Taken:** The entity is working with educational authorities to prioritize infrastructure projects and is engaging with stakeholders to secure necessary resources and expertise.
- iv. **Digital Education Infrastructure**
- **Challenge:** Insufficient digital infrastructure for online learning and technology integration.
  - **Recommended Way Forward:** Enhance digital infrastructure by providing devices, improving internet access, and supporting digital learning platforms.
  - **Actions Taken:** The entity is investing in technology upgrades and collaborating with technology providers to improve internet connectivity and distribute digital devices to schools.
- v. **Insecurity**
- **Challenge:** Ongoing security challenges in certain regions affecting school safety.
  - **Recommended Way Forward:** Increase investment in security measures, including surveillance systems and training for security personnel.
  - **Actions Taken:** The entity is allocating funds for security enhancements and working with local security agencies to implement improved safety protocols.
- vi. **Inflation and Property Destruction**
- **Challenge:** Rising costs due to inflation and damage from demonstrators impacting budget and resources.
  - **Recommended Way Forward:** Adjust budgets to account for inflation and repair damaged properties promptly.
  - **Actions Taken:** The entity is revising budget plans to accommodate increased costs and is prioritizing repair and reconstruction efforts for affected properties.



.....  
Name: Andrew Oduory  
Chairman NGCDF Committee



4. Statement of Performance Against Predetermined Objectives for FY 2023/24

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 the *NGCDF Funyula Constituency 2023-2027* plan are to:

*(Enumerate the key objectives of the constituency as per the Strategic Plan)*

**Progress on the attainment of Strategic development objectives**

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

Sector	Objective	Outcome	Indicator	Performance
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 physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	In FY 2023/24 we constructed 15 classrooms in primary schools, 3 dormitories and 4 laboratories in secondary schools. Approximately 8500, 3400 & 50 applicants in secondary schools, tertiary and special needs benefited respectively.



National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

Security	To ensure all Ass. chiefs, chiefs and the Ass. County Commissioners' have an office To have modern police stations and posts at the Constituency	Access to quality services	- number of usable physical infrastructure build at the locational levels Number of crimes reported	During the financial year 2023-2024 Funyula NG-CDF constructed 2 police posts; 1 modern police station and an on going Ass. County Commissioners' Headquarter
Environment	To have health and clean environment	Access to good health and sanitation	- Number of Indigenous trees planted Number of sanitary facilities constructed	During the financial year 2023-2024, Funyula NGCDFC constructed 19 sanitary facilities factored with PWDs facilities.
Sports	Harnessing youth and women talent	Increased youth and women talents	- Numbers of tournaments held	Funyula NG-CDF hoed sports activities in the month of December where various disciplines and categories ranging from ages 12years to 35 years of which more than the 35,000 youths took path.
Emergency	Catering for any unforeseen occurrences in the Constituency	Preparedness to unforeseen occurrences	- Number of unforeseen occurrences in the constituency	Funyula NGCDF committee allocated Kshs. 8.9M million under the emergency kitty to cater for the same
Others(Specify)				

**National Government Constituencies Development Fund (NGCDF)  
Funyula Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2024**

**5. Governance Statement**

**Process of appointment of NG-CDF Member**

1. Members of the Constituency committee are selected under section 43(2) (b), (c) and (d) of the Act.
2. The constituency committee members are selected by a constituency selection panel established under paragraph (4) in the event of vacancy.
3. A vacancy occurs in the constituency upon the
  - ❖ Commencement of a new parliamentary term
  - ❖ Dissolution of the committee
  - ❖ Removal of a member
  - ❖ Or occurrence of a vacancy
4. The selection panel reviews applications and selects 5 applicants based on various factors, including age, gender, special interest group and regional balance.
5. The officer seconded to the constituency submits selected candidates' names and the selection panel's report to the board.
6. The board co-opts a person to ensure equitable representation in the committee's membership.
7. The board requests the National assembly's clerk to nominate 2 individuals of either gender for the committee.
8. The board submits the names of 7 selected persons to the national assembly for approval, in accordance with the Act provisions.
9. After approval, the board appoints Constituency Committee members within 14 days through gazettes notice.
- 10.

NO	NAME	CATEGORY	WARD
1.	Grace Naita Makokha	Female (Adult)	Nangina
2.	Shakina Sophy Ousman	Female (Youth)	Agenga Nanguba
3.	Andrew Oduory Obada	Male (Adult)	Bwiri
4.	Kelvin Ochieng	Male (Youth)	Bwiri

**Nominee of the Body representing Persons with Disability**

NO	NAME	NOMINATING ORGANIZATION	WARD
1.	Victorine Naburi	Funyula Disabled Group	NANA



**Nominee of the Constituency Office**

NO	NAME	CATEGORY	WARD
1.	Josphine Akello	Female	NANA
2.	Constant Apopo	Male	Nangina

The above committee was gazetted on 16<sup>th</sup> December 2022 by the Chief Executive Officer of the Board via Gazette Notice Vol. CXXIV-No. 276

The members took over the office on the first meeting on 15<sup>th</sup> December 2022 and went through the process electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson                      -**Mr.** Andrew Oduory Obada                      ID No. 13529927
2. Secretary                         -**Ms.** Shakina Sophy Osman                      ID No. 38001594

During its first meeting, a Constituency Committee established Sub-Committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i.     Bursary Sub Committee
- ii.    Complaints Resolution Sub Committee
- iii.   Sports and Environment Sub Committee

The following were appointed to the different committee

**a. Bursary committee**

1. Constant Apopo                      - Member
2. Victorine Naburi                      - Member

**b. Complaints Resolution Committee**

1. Nathan Mbunga                      - Member
2. Grace Makokha                      - Member

**c. Sports and Environment Sub Committee**

1. Shakina Sophy Ousman                      - Member
2. Kelvin     Ochieng                      - Member

The chairperson and the secretary are members of all the committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also coopted to be in the Bursary committee.

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

#### **Qualifications of an NG-CDF Member**

1. Is a citizen of Kenya
2. Ordinarily a resident and a voter within the constituency
3. Able to read and write and communicate in English and Kiswahili
4. Meets the requirement of chapter 6 of the constitution
5. Available to participate in the activities of constituency committee
6. Persons who served in constituency committee constituted under fund manager or served in leadership position in the community will have an added advantage.

#### **NG-CDF Committees, Composition and roles**

Section 43 of the NG-CDF Act establishes the NG-CDF Committee (NG-CDFC) for every constituency, composed of:

- the National Government official responsible for co-ordination of national government functions;
- Two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment.
- Two women nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- One person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3)
- Two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act
- The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex official member without a vote.
- One member co-opted by the Board in accordance with Regulations made by the Board

#### **Roles of the NG-CDF Committee**

1. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund
2. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act.



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level
8. Ensure labelling of projects as per guidelines issued by the Board
9. Recruit staff as per Section 45 of the Act.

**: Number of Meetings Held**

According to the NG-CDF Act 2015, Section 43(1), the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. Funyula Constituency Held a total of 12 meetings in the financial year 2023-2024 and the attendance was as follows.

The committee is required to convene a minimum of six meetings and a maximum of twenty-four, including sub-committee meetings.

NO.	NG-CDFC COMMITTEE MEMBERS	4 <sup>th</sup> July 2023	30 <sup>th</sup> Aug 2023	12 <sup>nd</sup> Oct 2023	28 <sup>th</sup> Nov 2023	29 <sup>th</sup> Dec 2023	31 <sup>st</sup> Jan 2024	27 <sup>th</sup> Feb 2024	21 <sup>st</sup> March 2024	24 <sup>th</sup> April 2024	17 <sup>th</sup> May 2024	4 <sup>th</sup> June 2024	28 <sup>th</sup> June 2024
1	Andrew Oduory	√	√	√	√	√	√	√	√	√	√	√	√
2	Grace Makokha	√	√	√	√	√	√	√	√	√	√	√	√
3	Constant Apopo	√	√	√	√	√	√	√	√	√	√	√	√
4	Josphine Akello	√	√	√	√	√	√	√	√	√	√	√	√
5	Kelvin Ochieng	√	√	√	√	√	√	√	√	√	√	√	√
6	Victorine Naburi	√	√	√	√	√	√	√	√	√	√	√	√
7	Nathan Mbunga	√	√	√	√	√	√	√	√	√	√	√	√
8	Shakina Osman	√	√	√	√	√	√	√	√	√	√	√	√
9	Joyce Onguso	√	√	√	√	√	√	√	√	√	√	√	√



### **Member Removal:**

Grounds for removing a committee member include:

- i. Lack of integrity
- ii. Gross misconduct
- iii. Embezzlement of public funds
- iv. Bringing disrepute to the committee through unethical practices or unbecoming personal conduct
- v. Causing disharmony within the committee, or physical or mental infirmity.

### **Policy on Conflict of Interest**

Funyula NG- CDF is dedicated to upholding the highest standards of integrity and accountability in all its operations. To this end, we maintain a robust conflict of interest policy that obliges all NG- CDFC members, employees and stakeholders to declare any potential conflicts of interest promptly. We emphasize that the fundamental principle of this policy is to avoid conflict of interest all together, thus ensuring that decisions and actions are made solely in the best interest of our community and without any personal gain. We are proud to report that, to date, no conflict of interest has been identified, affirming our commitment to transparency and ethical conduct in the pursuit of our development goals.

### **Risk management**

#### **IMPORTANT CONCEPTS**

**Risk Management** - Is the process of dealing with uncertainty and trying to achieve the best outcome possible for the organization. This process includes:

**Risk Analysis** - Identifying risks, analysing potential consequences, and setting priorities for action. **Risk Response**

- Developing and implementing an action plan to address risk

**Risk Assessment** - Is the methodology of determining the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and the environment on which they depend.

**Risk Reduction** - Is the concept and practice of reducing disaster risks through systematic efforts to analyse and manage the casual factors of disasters, including though reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events

#### **PURPOSE OF Funyula NG- CDF RISK MANAGEMENT POLICY**

The purpose of this is to outline the procedures and organizational arrangements that will embed/establish and maintain risk management at Funyula NG-CDF so as to address unanticipated and unintended losses to Funyula NG-CDF human resources, financial assets, and property without unnecessarily limiting the activities that advance the mission and



goals. Some level of risk is not only expected in normal everyday activities but can be beneficial

The risk management policy is built on the premise of continual improvement in order to facilitate prudent assessment and treatment of risks that the office may encounter in the pursuit of its mandate.

However, acceptance of risk shall not include:

1. Wilful exposure of projects, employees' assets to unsafe environments or activities
2. Intentional violation of law
3. Wilful violation of contractual obligations
4. Unethical behaviour.

Categories of risks managed through the Risk Management Policy Framework include:

- Compliance Risk - Affect compliance with laws and regulations, staff safety, environmental issues, litigation, conflicts of interest etc.
- Reputational Risks - Affect reputation, public perception
- Political Risks – Affect stability of political structure and policies
- Financial Risk - Affect loss of funds and inability to account for the funds
- Operational Risk - Affect on-going management processes and procedures
- Environmental Risk - Affect air, water, soil or biological food chains to man

#### **INTENT**

The Funyula NG-CDF Risk Management Policy shall provide a commitment to a culture in which opportunities may be seized and risks taken, in a risk aware manner across the entire Authority, with risk management being fundamental/deep seated to management practice.

#### **SCOPE**

This policy shall apply to all NG-CDF stakeholders and also apply strategic and operational activities.

#### **OBJECTIVES**

The objectives of the Funyula NG- CDF Risk Management Policy are to provide a strategy against which:

1. The NG-CDF team leads by example with sound risk management practice
2. All NG-CDF staff support a risk aware culture
3. All the high inherent risk are identified, analysed, managed, monitored and reported on continuously.

Funyula NG-CDF RISK MANAGEMENT (RM) PRINCIPLES. The aim of Risk Management Policy is to strengthen the proper management of risks through proactive risk identification, risk management, and risk acceptance pertaining to all activities carried out by Funyula NG-CDF.

The Risk Management Policy is intended to:



1. Ensure that major risks are reported to the NG-CDFC and the NG-CDF board for review and acceptance
2. Result in the management of those risks that may significantly affect the pursuit of the stated strategic goals and objectives.
3. Embed a culture of evaluating and identifying risks at multiple levels
4. Provide a consistent risk management framework in which the risks pertaining to NG-CDF activities and functions are identified, considered, and addressed in key approval, review and control processes
5. Inform and improve on timely decision-making
6. Meet legal and regulatory requirements
7. Assist in safeguarding NG-CDF assets to include people, finance, property and reputation
8. Ensure that existing and emerging risks are identified and managed within acceptable risk tolerances
9. To establish a policy/legal and institutional framework for management of disasters, including promotion of a culture of disaster risk reduction, at all levels
10. To ensure that the institutions and activities for disaster risk management are coordinated, focused to foster participatory partnerships between the government and other stakeholders at all levels.
11. To promote linkage between risk management and sustainable development for reduction of vulnerability to hazards and disasters.
12. To mobilise resources, including establishment of specific funds for disaster risk reduction strategies and programs like the emergency reserve fund

#### **IMPLEMENTATION FRAMEWORKS AND PROCEDURES**

It is expected that risk management processes will be embedded into the NGCDF's management systems and processes.

All risk management efforts will be focused on supporting the institution's objectives. Therefore the risk management framework and associated procedures will include:

1. Formal and on-going identification of risk that impact the institution's goals
2. Development of risk management plans
3. Monitoring the progress of managing risk
4. Periodic updates of risk management plans
5. An organization process for risk analysis and response
6. Assignment of specific risk responsibilities and performance accountability.
7. A workplace culture where every employee understands risk and their role in addressing it.

#### **MANAGEMENT METHODOLOGY**

Risk may be managed by using one or more of the following methods:

1. Avoid (eliminate, withdraw from or do not become involved in an activity creating risk)
2. Retain (accept the risk and plan for the expected impact creating risk)



3. Transfer/share (move the risk to another party by hedging against undesired outcome or reduce the risk through processes such as insurance) and,
4. Reduce (control the risk through additional or optimized controls)

### **OVERSIGHT**

The risk management ad hoc subcommittee shall have sufficient authority to ensure high-level management of the institution's risk management efforts and shall provide oversight to implementation of the risk management policy and review major risks on behalf of the NG-CDF

### **ACCOUNTABILITY**

The NG-CDF management framework and procedures shall be reviewed annually. Periodic reviews for compliance with the system wide guidelines shall also be conducted by the district internal audit, Kenya National Audit Office and NG-CDF Board Internal Audit or a similar accountability responsibility

### **COMMITMENT TO EFFECTIVE RISK AT Funyula NG-CDF**

Funyula NG-CDF is committed to building an organisational culture where risk awareness and active and effective risk management form an integral part of NGCDFC's activities and a core management responsibility

#### **Effect risk management requires: }**

- A strategic focus }
- Forwarding thinking and proactive approaches to management }
- Adequate consideration of the cost of managing risk with the expected benefits }
- Contingency planning for the eventually in case the threats materialize

### **REPORTING TO THE NG-CDF**

The NG-CDF shall submit reports on risk management to the NG-CDF Board on quarterly basis on the risk management process, in order to seek the boards " concurrence on action taken or further guidance.

## 6. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Funyula Constituency's 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 marginalized 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.

## **2. Environmental performance**

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

## **3. Employee welfare**

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

Funyula Constituency is committed to fair and ethical market practices.

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-

Funyula Constituency 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**

Funyula Constituency 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.

Funyula Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

  
.....  
Name: Gregory Otaalo  
Fund Account Manager.



## **7. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the NGCDF-Funyula 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, 2024. 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-Funyula 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, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Funyula 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.



*National Government Constituencies Development Fund (NGCDF)  
Funyula Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2024*

---


The Accounting Officer in charge of the NGCDF Funyula 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- Funyula Constituency financial statements were approved and signed by the Accounting Officer on 13/09/ 2024.



.....  
Name: Andrew Oduory  
Chairman – NGCDF Committee



.....  
Name: Gregory K. Otaalo  
Fund Account Manager



**REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND - FUNYULA CONSTITUENCY FOR THE  
YEAR ENDED 30 JUNE, 2024**

---

**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 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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-Funyula Constituency set out on pages 1 to 48, which

*Report of the Auditor-General on National Government Constituencies Development Fund- Funyula Constituency for the year ended 30 June, 2024*



comprise the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Funyula Constituency as at 30 June, 2024, 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**

#### **Unconfirmed Cash and Cash Equivalents Balance**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.17,244,652 and as disclosed in Note 11 to the financial statements. Review of bank reconciliation statement of Fund's bank account, for the month of June, 2024 revealed unrepresented cheques totaling to Kshs.5,866,969 which include stale cheques totaling to Kshs.134,216 which had not been reversed in the cash book as at 30 June, 2024. In addition, the certificate of bank balance as at 30 June, 2024 was not provided for audit review.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.17,244,652 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund- Funyula 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**

#### **Budget Control and Performance**

The summary statement of appropriation reflects receipts final budget and actual amounts on comparable basis totaling Kshs.273,784,881 and Kshs.216,188,378 respectively, resulting to under-funding of Kshs.57,596,503 or 21% of the budget. Similarly, the Fund spent Kshs.198,943,727 against approved budget of Kshs.273,784,880, resulting to under-expenditure of Kshs.74,841,154 or 27% of the budget.

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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Matter**

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

As disclosed under the progress on follow up of auditor's recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2024. Management has not provided satisfactory reasons for the delay in resolving the issues.

### **Other Information**

The Management is responsible for the other information set out on page iii to xxxiii which comprise of Key Entity Information and Management, Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting, Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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

### **Conclusion**

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



## **Basis for Conclusion**

### **1. Transfers to Other Government Units**

The statement of receipts and payments and Note 7 to the financial statements reflect transfers to other Government units amounting to Kshs.76,069,453 which indicates transfers to secondary schools amount of Kshs.26,250,000. However, the following unsatisfactory matters were noted:

#### **1.1 Construction of Dormitory at Sigalame High School Project**

Included in the transfers is a payment of Kshs.4,000,000 to Sigalame High School for construction to completion of 256No. students' single dormitory. The school advertised and awarded tender for construction of 256No. student's dormitory block at a contract sum of Kshs.24,107,485 commencing on 2 September, 2024 for an unspecified contract period. Physical verification of the project conducted in December, 2024 revealed that excavation of the sub-structure was partially done and the contractor was not on site. No explanation was provided on why the contractor was not on site.

In the circumstances, the project completion may be delayed, thereby denying the public the intended benefits associated with the project.

#### **1.2 Bujwanga Mixed Secondary School Project**

Included in the transfers is a payment of Kshs.7,000,000 to Bujwanga secondary school for the construction of a storey tuition block containing 8No. classrooms whose scope of work includes walling, roofing, fitting doors and windows, electrical works and plastering of the first floor.

A contract agreement was made on 7 March, 2023 between the school and a construction company commencing on 17 March, 2023 and planned completion date of 20 September, 2024 as per the program of work provided by the contractor, at a contract sum of Kshs.17,999,994. During the year under review, the contractor was paid interim payment certificate number 3 on 8 September, 2023 for Kshs.2,800,000. However, the payment was not supported by Project Management Committee (PMC) minutes authorizing payments and the statement of payment prepared by Ministry of Lands and Urban Development indicates a consolidated balance and not a detailed breakdown of work done. In addition, the PMC administrative costs of Kshs.150,000 which was paid on 3 April, 2023 was not accounted for. The contractor had been paid a total of Kshs.11,000,000 as at 30 June, 2024.

Further, the physical verification of the project on 5 December, 2024 revealed that the contractor had done walling, roofing, fitting windows and doors on the first floor. However, electrical and plastering works had not been done and the contractor was not on site.

In the circumstances, the effectiveness contract management could not be confirmed.



## **2. Other Grants and Transfers**

The statement of receipts and payments and Note 8 to the financial statements reflect other grants and transfers amounting to Kshs.99,509,423. However, the following unsatisfactory matters were noted:

### **2.1 Unsupported Payment for Bursary Education Day**

Note 8 to the financial statements include a payment of Kshs.2,495,000 for bursary education day. However, the tender opening and evaluation committee members were the same persons contrary to the Public Procurement and Asset Disposal Act, 2015. The professional opinion from the head of procurement unit, program for activities of the day, agenda and venue of the event were not provided for audit review. Further, the supplier's invoice indicated event logistics including tents, chairs, and soft drinks and the payments were not supported by education related items or services which were to be provided.

In the circumstances, the value for money realized in respect of the expenditure of Kshs.2,495,000 for bursary education day could not be confirmed.

### **2.2 Failure to Constitute Bursary and Sports Projects Committee**

Note 8 to the financial statements include payments of bursary to secondary schools of Kshs.61,8395,147, bursary to tertiary institutions of Kshs.8,800,982, bursary to education day of Kshs.2,495,000 and sports project payments of Kshs.3,166,200. However, the projects were not managed by project management committees as required by Regulation 29 (5)(a) and (b) of the National Government Constituencies Development Fund Regulation, 2016 which requires that every payment out of a project management committee account shall be, on the basis of a resolution resolved in the minutes of a meeting of the project management committee, and accompanied by a cheque or a payment confirmation schedule issued in accordance with guidelines issued by the Board. Further, the criteria for identification of bursaries beneficiaries was not provided for audit review.

In the circumstances, the regularity of management of other grants and transfers amounting to Kshs.99,509,423 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

## **Conclusion**

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

## **Basis for Conclusion**

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

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

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

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

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

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

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

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**31 December, 2024**



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

**9. Statement of Receipts and Payments for the Year Ended 30th June 2024**

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	214,903,912	72,735,790
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>214,903,912</b>	<b>72,735,790</b>
<b>Payments</b>			
Compensation of Employees	4	3,800,793	4,882,168
Committee expenses	5	8,878,110	3,655,150
Use of Goods and Services	6	9,686,198	4,813,635
Transfers to Other Government Units	7	76,069,453	34,850,000
Other Grants and Transfers	8	99,509,423	92,952,089
Acquisition of Assets	9	-	-
Other Payments	10	999,750	12,500,000
<b>Total Payments</b>		<b>198,943,727</b>	<b>153,653,042</b>
<b>Surplus/(Deficit)</b>		<b>15,960,186</b>	<b>(80,917,252)</b>

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

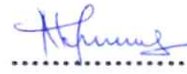
The Constituency financial statements were approved by the NGCDFC on 13/09/2024 and signed by:



.....  
 Chairman NG-CDF  
 Committee  
 Name: Andrew Oduory



.....  
 Fund Accountant Manager  
 Name: Gregory Otaalo




.....  
 National Sub-County  
 Accountant  
 Name: Paul Ojiambo  
 ICPAK M/No:

*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*


10. Statement of Assets and Liabilities as at 30th June, 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	11A	17,244,652	1,284,466
Cash Balances	11B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>17,244,652</b>	<b>1,284,466</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	12	-	-
<b>Total Financial Assets (A)</b>		<b>17,244,652</b>	<b>1,284,466</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable</b>			
Retention	13	-	-
Gratuity	14	-	-
<b>Total Financial Liabilities (B)</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets (A-B)</b>		<b>17,244,652</b>	<b>1,284,466</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	1,284,466	81,233,768
Prior Year Adjustments	16	-	967,950
Surplus/(Deficit) for The Year		15,960,186	(80,917,252)
<b>Net Financial Position</b>		<b>17,244,652</b>	<b>1,284,466</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NGCDFC on 13/09/2024 and signed by:

  
 .....  
 Chairman NG-CDF  
 Committee  
 Name: Andrew Oduory

  
 .....  
 Fund Accountant Manager  
 Name: Gregory Otaalo

  
 .....  
 National Sub-County  
 Accountant  
 Name: Paul Ojiambo  
 ICPAK M/No:



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

11. Statement Of Cash Flows for the Year Ended 30th June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	214,903,912	72,735,790
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>214,903,912</b>	<b>72,735,790</b>
<b>Payments</b>			
Compensation of Employees	4	3,800,793	4,882,168
Committee Expenses	5	8,878,110	3,655,150
Use of Goods and Services	6	9,686,198	4,813,635
Transfers to Other Government Units	7	76,069,453	34,850,000
Other Grants and Transfers	8	99,509,423	92,952,089
Other Payments	10	999,750	12,500,000
<b>Total Payments</b>		<b>198,943,727</b>	<b>153,653,042</b>
<b>Total Receipts Less Total Payments</b>		<b>15,960,186</b>	
Adjusted For:			
Prior Year Adjustments	16	-	967,950
Decrease/(Increase) in Accounts Receivable	17	-	(-)
Increase/(Decrease) in Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>15,960,186</b>	<b>(79,949,302)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9		
<b>Net Cash Flows from Investing Activities</b>			
Net Increase in Cash & Cash Equivalents		<b>15,960,186</b>	<b>(79,949,302)</b>
Cash & Cash Equivalent at Start of the Year	11	1,284,466	81,233,768
Cash & Cash Equivalent at End of the Year	11	17,244,652	1,284,466



*National Government Constituencies Development Fund (NGCDF)  
Funyula Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2024*

**12. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2024**

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 %
	2023-2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023-2024	2023-2024		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	177,596,503	1,284,466	94,903,912	273,784,881	216,188,378	57,596,503	79%
Proceeds From Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	-	-
<b>Totals</b>	<b>177,596,503</b>	<b>1,284,466</b>	<b>94,903,912</b>	<b>273,784,881</b>	<b>216,188,378</b>	<b>57,596,503</b>	<b>79%</b>
<b>Payments</b>							
Compensation of Employees	5,085,480		33,332	5,118,812	3,800,793	1,318,020	74%
Committee Expenses	2,116,500		(325,922)	1,790,578	8,878,110	(7,087,532)	496
Use of Goods and Services	6,902,327		40,020	6,942,347	9,686,198	(2,743,851)	140%
Transfers to Other Government Units	81,974,407		60,530,000	142,504,407	76,069,453	66,434,954	53%
Other Grants and Transfers	67,563,574	1,284,466	24,626,481	93,474,521	99,509,423	(6,034,902)	107%
Acquisition of Assets	-	-	-	-	-	-	-
Other Payments			10,000,000	10,000,000	999,750	9,000,250	10%
Funds Pending approval**							
<b>Totals</b>	<b>177,596,503</b>	<b>1,284,466</b>	<b>94,903,911</b>	<b>273,784,880</b>	<b>198,943,727</b>	<b>74,841,154</b>	<b>73%</b>



National Government Constituencies Development Fund (NGCDF)  
 Fungula Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

Explanatory Notes:

- (a) Compensation of employees: The underutilization was as a result of unpaid gratuity  
 (b) Committee expenses: The overutilization is as a result of money adjustment column is the opening balance of Ksh. 1,284,466 as at 1st July, 2023 plus amount owing to the constituency as at 30th June 2023 of Ksh. 94,903,912 during the year under review.  
 (c) The utilization difference of Ksh. 74,841,154.73 is the closing cashbook balance of Ksh. 17,244,652 as at 30th June, 2023 plus the amount owing to the Constituency as at 30th June, 2023 of Ksh. 57,596,503.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities		Amount
Description		
Budget utilisation difference total's		74,841,154
Less undischursed funds receivable from the Board as at 30 <sup>th</sup> June 2024		57,596,503
		17,244,651
Increase/(decrease) Accounts payable		0
(Decrease)/Increase Accounts Receivable		0
Add/Less Prior Year Adjustments		0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2024		17,244,651

13. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2024

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA			
		Previous Years' Outstanding Disbursements			

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	5,085,480		33,332	5,118,812	3,800,793	1,318,020
1.2 Committee allowances	1,426,500	-	(325,922)	1,100,578	4,707,430	(3,606,852)
1.3 Use of goods and services	2,957,558	-	40,020	2,997,578	3,913,363	(915,785)
<b>Sub-total</b>	<b>9,469,538</b>	<b>-</b>	<b>(252,570)</b>	<b>9,216,968</b>	<b>12,421,586</b>	<b>(3,204,618)</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,710,000			1,710,000	2,828,550	(1,118,550)
2.2 Committee allowances	690,000			690,000	4,170,680	(3,480,680)
2.3 Use of goods and services	2,234,769			2,234,769	2,944,285	(709,516)
<b>Sub-total</b>	<b>4,634,769</b>	<b>-</b>	<b>-</b>	<b>4,634,769</b>	<b>9,943,515</b>	<b>(5,308,746)</b>
<b>3.0 Constituency Oversight Committee (Itemize as per budget)</b>						
3.1				0		0
				0		0
<b>Sub-total</b>				<b>0</b>		<b>0</b>
<b>4.0 Emergency</b>						
4.1 Primary Schools	8,768,091		6,540,828	15,308,919	9,983,094	5,325,825
SIREKERESI PRIMARY			395,000	395,000	395,000	
SIBINGA PRIMARY SCHOOL			427,000	427,000	427,000	
BUKHULUNGU PRIMARY SCHOOL			900,000	900,000	900,000	
AGENGA PRIMARY			1,560,000	1,560,000	1,560,000	



National Government Constituencies Development Fund (NGCDF)

Funyula Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
SCHOOL				0		0
4.2 Secondary schools						
ST KIZITO MURAMBA SEC			1,209,980	1,209,980	1,209,980	
ST PETERS BUSIBI GIRLS SEC			1,750,000	1,750,000	1,750,000	
4.3 Tertiary institutions				0		0
4.4 Security projects				0		0
EQUITY BANK MANAGER-TREASURY OFFICE	1,151,314			1,151,314	1,151,314	
BUKIRI POLICE POST	630,500			630,500	630,500	
CANGA POLICE POST	929,000			929,000	929,000	
NAMUDURU POLICE POST	1,030,300					
<b>Sub-total</b>	<b>8,768,091</b>	<b>-</b>	<b>6,540,828</b>	<b>15,308,919</b>	<b>9,983,094</b>	<b>5,325,825</b>
<b>5.0 Bursary and Social Security</b>						
5.1 Primary Schools				0		0
5.2 Secondary Schools	40,038,970	1,284,466	7,708,937	49,032,373	61,395,147	(12,362,774)
5.3 Tertiary Institutions	9,100,000			9,100,000	8,800,982	299,018
5.4 Universities						
5.5 Education Day	2,500,000			2,500,000	2,495,000	5,000

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
5.6 Education Support Programmes						-
5.7 Social Security	3,600,000			3,600,000	3,600,000	-
<b>Sub-total</b>	<b>55,238,970</b>	<b>1,284,466</b>	<b>7,703,937</b>	<b>64,232,373</b>	<b>76,291,129</b>	<b>(12,058,755)</b>
<b>6.0 Sports</b>						
6.1	3,156,513		307,716	3,464,229	3,166,200	298,029
<b>Sub-total</b>	<b>3,156,513</b>	<b>-</b>	<b>307,716</b>	<b>3,464,229</b>	<b>3,166,200</b>	<b>298,029</b>
<b>7.0 Environment</b>						
MUGASA PRIMARY	100,000			100,000		100,000
BUKHULUNGU PRIMARY	100,000			100,000		100,000
BIJSEMBE PRIMARY	100,000			100,000		100,000
HAKATI PRIMARY	100,000			100,000		100,000
BIJSIBI GIRLS SEC			650,000	650,000	650,000	-
BIJUDU PRIMARY			650,000	650,000	650,000	-
HAKATI PRIMARY			650,000	650,000	650,000	-
<b>Sub-total</b>	<b>400,000</b>	<b>-</b>	<b>1,950,000</b>	<b>2,350,000</b>	<b>1,950,000</b>	<b>400,000</b>
<b>8.0 Primary Schools Projects</b> (List all the Projects)						
MOODY AWOURY PRIMARY	7,822,371			7,822,371		7,822,371
MOODY AWOURY PRIMARY	6,000,000			6,000,000		6,000,000



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BULOMA PRIMARY	1,100,000			1,100,000		1,100,000
GANJALA PRIMARY	7,000,000			7,000,000		7,000,000
BUSEMBE PRIMARY	3,500,000			3,500,000		3,500,000
BUSIJO INTER. PRIMARY	2,979,870			2,979,870	2,979,870	-
BUJWANGA PRIMARY	5,500,000			5,500,000	5,500,000	-
NANDEREKA PRIMARY	3,060,000			3,060,000	3,060,000	-
NANGINA GIRLS PRIMARY	1,760,000			1,760,000	1,760,000	-
MUKONJO PRIMARY	1,982,783			1,982,783	1,982,783	-
SIFUYO PRIMARY	2,400,000			2,400,000		2,400,000
NYAKHOBI PRIMARY	509,800			509,800		509,800
SIBINGA PRIMARY	509,800			509,800		509,800
NABUGANDA PRIMARY	247,000			247,000	247,000	-
NAMBALE RC JUNIOR SEC	4,200,000			4,200,000		4,200,000
BUSULERE JUNIOR SEC	2,800,000			2,800,000		2,800,000
WAKHUNGU JUNIOR SEC	1,400,000			1,400,000		1,400,000
NYAKWAKA JUNIOR SEC	2,602,783			2,602,783		2,602,783
FR. MARTIN RYKE JUNIOR SEC	1,400,000			1,400,000	1,400,000	-
WAKHUNGU JUNIOR SEC	1,400,000			1,400,000		1,400,000



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
EUGINE MASOMBO JUNIOR SEC	1,400,000			1,400,000		1,400,000
BULOMA JUNIOR SEC	1,400,000			1,400,000		1,400,000
BUNANDI JUNIOR SEC	1,400,000			1,400,000		1,400,000
MUNYANJA JUNIOR SEC	1,400,000			1,400,000		1,400,000
BURADI JUNIOR SEC	1,400,000			1,400,000		1,400,000
BUKEKO JUNIOR SEC	1,400,000			1,400,000		1,400,000
LUGALA PRIMARY			3,300,000	3,300,000	3,300,000	-
SIFUYO PRIMARY			1,800,000	1,800,000	1,800,000	-
MUDOMA PRIMARY			1,800,000	1,800,000	1,800,000	-
NANGINA MIXED PRIMARY			2,800,000	2,800,000	2,800,000	-
WAKHUNGU PRIMARY			1,400,000	1,400,000	1,400,000	-
BUMBE PRIMARY			1,400,000	1,400,000	1,400,000	-
BUSIJO INTER. PRIMARY			1,400,000	1,400,000	1,400,000	-
NAMUDURU PRIMARY			1,400,000	1,400,000	1,400,000	-
NABUGANDA PRIMARY			1,800,000	1,800,000	1,800,000	-
NAMBOBOTO PRIMARY			2,000,000	2,000,000		2,000,000
NANGINA MIXED PRIMARY			2,800,000	2,800,000	2,800,000	-



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
WAKHUNGU PRIMARY			1,400,000	1,400,000	1,400,000	-
BUMBE PRIMARY			1,400,000	1,400,000	1,400,000	-
BUSIJO INTER. PRIMARY			1,400,000	1,400,000	1,400,000	-
NAMUDURU PRIMARY			1,400,000	1,400,000	1,400,000	-
NABUGANDA PRIMARY			1,800,000	1,800,000	1,800,000	-
NAMBOBOTO PRIMARY			2,000,000	2,000,000		2,000,000
NANGINA MIXED PRIMARY			2,800,000	2,800,000	2,800,000	-
<b>Sub-total</b>	<b>66,574,407</b>		<b>34,580,000</b>	<b>101,154,407</b>	<b>43,509,653</b>	<b>57,644,754</b>
<b>9.0 Secondary Schools Projects (List all the Projects)</b>						
NYAKHOBI SEC. SCHOOL	3,400,000			3,400,000	3,400,000	-
ST CECILIA NANGINA GIRLS	2,000,000			2,000,000		2,000,000
ST MARK BUKIRI SEC	3,000,000			3,000,000		3,000,000
ST. STEPHEN BUJWANGA	7,000,000			7,000,000	3,000,000	4,000,000
NAMUNYENDA SEC. SCHOOL			3,700,000	3,700,000	3,700,000	-
ST.CHRISPINE GIRLS			1,500,000	1,500,000	1,500,000	-



*National Government Constituencies Development Fund (NGCDF)  
Funyula Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
SEC.SCH						
SIGALAME HIGH SCHOOL			4,000,000	4,000,000	4,000,000	
NYAKHOBI SEC. SCHOOL			2,600,000	2,600,000	2,600,000	-
NAMUDURU GIRLS SEC. SCH			1,050,000	1,050,000	1,050,000	-
SIJOWA SEC. SCHOOL			1,700,000	1,700,000	1,700,000	-
MAMBOBOTO BOY SEC SCH			1,500,000	1,500,000	1,500,000	-
SIJOWA Secondary			1,300,000	1,300,000	1,300,000	-
SIJOWA SEC. SCHOOL			3,400,000	3,400,000		3,400,000
MAMBALE RC Secondary			3,400,000	3,400,000		3,400,000
ST JOSEPH GANJALA SEC			1,800,000	1,800,000		1,800,000
<b>Sub-total</b>	<b>15,400,000</b>	<b>-</b>	<b>25,950,000</b>	<b>41,350,000</b>	<b>26,250,000</b>	<b>15,100,000</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						
10.1				0		0
<b>Sub-total</b>				0		0
<b>11.0 Security Projects</b>						
BUJWANGA ASSISTANT CHIEFS OFFICE			250,000	250,000	250,000	-



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BIJKIRI POLICE POST			1,000,000	1,000,000	1,000,000	-
GANGA POLICE POST			600,000	600,000	600,000	-
NAMBOBOTO CHIEFS OFFICE			1,169,000	1,169,000	1,169,000	-
SIO PORT DIVISIONAL HEADQUARTER			1,400,000	1,400,000	1,400,000	-
SIO PORT DIVISIONAL HEADQUARTER			3,000,000	3,000,000	3,000,000	-
NAMUDURU POLICE POST			700,000	700,000	700,000	-
<b>Sub-total</b>	-	-	<b>8,119,000</b>	<b>8,119,000</b>	<b>8,119,000</b>	-
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including moto-bikes)	-	-	-	-	-	-
12.2 Construction of CDF office	-	-	-	-	-	-
12.3 Purchase of furniture and equipment	-	-	-	-	-	-
12.4 Purchase of computers	-	-	-	-	-	-
12.5 Purchase of land	-	-	-	-	-	-
<b>Sub-total</b>	-	-	-	-	-	-
<b>13.0 Others</b>						

**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
13.1 Strategic Plan			2,000,000	2,000,000	999,750	1,000,250
13.2 Innovation Hub	13,954,215			13,954,215		13,954,215
13.3 Electricity Projects			8,000,000	8,000,000	-	8,000,000
<b>Sub-total</b>	<b>13,954,215</b>	<b>-</b>	<b>10,000,000</b>	<b>23,954,215</b>	<b>999,750</b>	<b>22,954,465</b>
Funds pending approval**	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>177,596,503</b>	<b>1,284,466</b>	<b>94,903,911</b>	<b>273,784,880</b>	<b>198,943,727</b>	<b>74,841,154</b>

*(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12*



#### 14. Significant Accounting Policies

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

##### 1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for:

- Receivables that include imprests
- Payables that include 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-Funyula 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. Recognition of Receipts

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

##### a. 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 the Sale of Assets

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



**b. Other receipts**

These include Appropriation-in-Aid and relate to receipts such as proceeds from the sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, and 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.

**c. 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.

**5. Recognition of payments**

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

**a) Compensation of Employees**

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

**b) 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.

**c) Acquisition of Fixed Assets**

The payment on the 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 is provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

#### **6. 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.

#### **7. Cash and Cash Equivalents**

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 an insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

#### **8. 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.

#### **9. Accounts Payable**

For 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 the fulfilment of obligations by the contractor and holding deposits on behalf of third parties. Gratuity earned 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 the National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

#### **10. 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.

#### **11. 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 the NGCDF Act, 2015

#### **12. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2023 for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

#### **13. Comparative Figures**

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

#### **14. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024.

#### **15. Prior Period 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



*National Government Constituencies Development Fund (NGCDF)*

*Funyula Constituency*

*Annual Report and Financial Statements for The Year Ended June 30, 2024*

---

occurred before the earliest prior period presented, restate the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

**16. Related Party Transactions**

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

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
NGCDF Board	Kshs	Kshs
AIE NO. B 140878		15,235,790
AIE NO. B 105430		7,000,000
AIE NO. B 105758		21,000,000
AIE NO. B 132490		5,000,000
AIE NO. B 128802		12,000,000
AIE NO. B 154400		12,000,000
AIE NO. B 154293		500,000
AIE NO. A 214085	13,688,879	
AIE NO. B 214467	64,398,842	
AIE NO. B 233531	5,416,191	
AIE NO. B 233602	8,400,000	
AIE NO. B 225010	30,000,000	
AIE NO. B 225483	30,000,000	
AIE NO. B 226397	30,000,000	
AIE NO. B 214961	30,000,000	
AIE NO. B 233786	3,000,000	
<b>TOTAL</b>	<b>214,903,912</b>	<b>72,735,790</b>

2. Proceeds From Sale of Assets

	2023-2024	2022-2023
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

**3. Other Receipts**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere ( <i>specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**4. Compensation Of Employees**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,583,196	2,747,480
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
House allowance	-	-
Gratuity to contractual employees	-	1,921,428
Employer Contributions Compulsory national social security schemes	164,520	213,260
Employer Contributions Compulsory Housing levy	47,577	-
Employer contributions to National Industrial Training Authority	5,500	-
<b>Total</b>	<b>3,800,793</b>	<b>4,882,168</b>

**5. Committee Expenses**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
<b>A.NG CDFC</b>		
Sitting allowance	4,707,430	653,950

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Other committee expenses	4,170,680	1,660,000
<b>Sub total</b>	<b>8,878,110</b>	<b>2,313,950</b>
<b>B. Constituency Oversight Committee</b>		
Allowances	-	1,341,200
Other committee expenses	-	-
<b>Sub total</b>	<b>-</b>	<b>1,341,200</b>
<b>Total (A+B)</b>	<b>8,878,110</b>	<b>3,655,150</b>



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

6. Use of Goods and services

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Utilities, supplies and services	378,745	212,438.00
Communication, supplies and services	2,820,825	425,000.00
Domestic travel and subsistence	670,600	280,510.00
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,125,000	574,000
Hospitality supplies and services	1,032,950	166,100
Insurance costs	128,114	-
Specialized materials and services	-	16,030
Office and general supplies and services	475,455	611,915
Fuel, oil & lubricants	535,172	648,230
Other operating expenses	2,207,339	1,455,400
Bank Charges	8,950	-
Security Operations	-	-
Routine maintenance – vehicles and other transport equipment	229,388	398,012
Routine maintenance – other assets	73,660	26,000
<b>Total</b>	<b>9,686,198</b>	<b>4,813,635</b>

7. Transfer To Other Government Units

<b>Description</b>	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Transfers To Primary Schools	49,819,453	11,450,000
Transfers To Secondary Schools	26,250,000	23,400,000
Transfers To Tertiary Institutions	-	-
<b>Total</b>	<b>76,069,453</b>	<b>34,850,000</b>

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

8. Other Grants and Other transfers

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Bursary – secondary schools	61,395,147	77,493,178
Bursary – tertiary institutions	8,800,982	714,670
Bursary – Education Day	2,495,000.00	-
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	3,600,000	3,600,000
Security projects	8,119,000	-
Sports projects	3,166,200	2,456,600
Environment projects	1,950,000	2,735,775
Emergency projects	9,983,094	5,951,866
Roads projects	-	-
<b>Total</b>	<b>99,509,423</b>	<b>92,952,089</b>

9. Acquisition Of Assets

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

---

**10. Other Payments**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	999,750	-
ICT Hub	-	-
Others ( <i>specify</i> )		12,500,000
<b>Total</b>	<b>999,750</b>	<b>12,500,000</b>

**11. Cash and Cash Equivalents**

<b>Name of Bank and Account No.</b>	<i>2023-2024</i>	<i>2022-2023</i>
	<b>KShs</b>	<b>KShs</b>
<b>11A: Bank Accounts (Cash Book Bank Balance)</b>	-	-
<i>1. Equity Bank Funyula NG-CDF</i> <i>0780292650348</i>	17,244,652	1,284,466
<i>Operation account pending closure (Indicate name &amp; account no.)</i>		
<i>Name of Bank, account No. (Deposit)</i>		
<b>Total</b>	-	-
	-	-
<b>11B: Cash Balances</b>	-	-
Location 1	-	-
Location 2		
Other Locations ( <i>Specify</i> )		
<b>Total</b>		
<i>[Provide Cash Count Certificates for Each]</i>		

**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

**12. Outstanding Imprests**

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

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

**13. Retention**

	<i>2023-2024</i>	<i>2022-2023</i>
	<i>KShs</i>	<i>KShs</i>
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

**Retentions aging analysis.**

	<i>Insert 2023-2024</i>	<i>% of the total Retention</i>	<i>Insert Comparative FY</i>	<i>% of the total Retention</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

**14. Gratuity**

	<i>2023-2024</i>	<i>2022-2023</i>
--	------------------	------------------



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

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

**Gratuity aging analysis**

	Insert 2023-2024	% of the total Gratuity	Insert Comparative FY	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

*The total above should be equal to the Gratuity closing figures)*

**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2023-1)	(1 <sup>st</sup> July 2022-2)
	Kshs	Kshs
Bank accounts	1,284,466	81,233,768
Cash in hand	-	-
Imprest	-	-
Total	-	-
<b>Less</b>		
Payables: - Retention	-	-
Payables – Gratuity	-	-
<b>Fund Balance Brought Forward</b>	<b>1,284,466</b>	<b>81,233,768</b>

*[Provide short appropriate explanations as necessary]*

16. Prior Year Adjustments

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

\*\* 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

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts in account receivables D= A+B-C	-	-
<b>Net changes in accounts Receivables D – A</b>	-	-

18. Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1 <sup>st</sup> July (A)	-	-
Gratuities and Retentions held during the year (B)	-	-
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	-	-
<b>Net changes in accounts payables D-A</b>	-	-



**National Government Constituencies Development Fund (NGCDF)**  
**Funyula Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2024**

**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	-	-

**Aging Analysis for Pending Accounts Payables**

	<i>2023-2024</i>	<i>% of the total</i>	<i>2022-2023</i>	<i>% of the total</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

**19.2: Pending Staff Payables (See Annex 2)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	-

**Aging Analysis for staff Payables**

	<i>2023-2024</i>	<i>% of the total</i>	<i>2022-2023</i>	<i>% of the total</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

**National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024**

**19.3: Unutilized Fund (See Annex 3)**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	1,318,020	33,332
Committee expense	(7,087,532)	6,068
Use of goods and services	(2,743,851)	8,050
Amounts due to other Government entities	66,434,954	56,530,000
Amounts due to other grants and other transfers	(6,034,902)	30,069,978
Acquisition of assets		-
Oversight committee expenses		40,950
Other Payments (Strategic Plan)	22,954,465	10,000,000
Funds pending approval		
<b>Total</b>	<b>74,841,156</b>	<b>96,688,378</b>

**19.4: PMC account balances (See Annex 5)**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances	13,171,287	9,849,801
<b>Total</b>	<b>13,171,287</b>	<b>9,849,801</b>

**19.5 Related Party Transactions**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	-	-
<b>Transaction with the NGCDF Board</b>		
Receipts from the NGCDF Board during the year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

---

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

Name of Staff				Designation	Date employed		Outstanding Balance 30 <sup>th</sup> June 2024	Comments
<b>NG-CDFC Staff</b>								
1.								
2.								
3.								
<b>Sub-Total</b>								
<b>Grand Total</b>								



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

---

**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Compensation of employees	Payment of staff salaries	1,318,020	33,332	on going
Committee Expense	Payment of committee allowance	(6,803,066)	47,018	complete
Use of goods & services	Payment of goods and services	(1,743,850)	8,050	complete
<b>Amounts due to other Government entities</b>				
<b>a) Primary Schools</b>				
MOODY AWOURY PRIMARY	Construction to completion of 1 storey building comprising of 16No. Classrooms.	7,822,371	-	on going
MOODY AWOURY PRIMARY	Drilling, equipping and solarization of borehole	6,000,000	-	on going
BULOMA PRIMARY	Completion of administration block	1,100,000	-	complete
GANJALA PRIMARY	Construction of 7NO classrooms and an administration	7,000,000	-	not started

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
	block			
BUSEMBE PRIMARY	Construction of modern administration block	3,500,000	-	not started
BUSIJO INTER. PRIMARY		-	-	complete
BUJWANGA PRIMARY		-	-	on going
NANDEREKA PRIMARY		-	-	on going
NANGINA GIRLS PRIMARY		-	-	complete
MUKONJO PRIMARY		-	-	not started
SIFUYO PRIMARY		2,400,000	-	complete
NYAKHOBI PRIMARY		509,800	-	
SIBINGA PRIMARY	Renovation to completion of 2No. classrooms: re-painting and flooring using terrazzo	509,800	-	complete
NABUGANDA PRIMARY	Construction of 3NO classrooms	-	-	
NAMBALE RC JUNIOR SEC	Construction of 2NO classrooms	4,200,000	-	not started
BUSULERE JUNIOR SEC	Construction of 1NO classrooms	2,800,000	-	not started
WAKHUNGU JUNIOR SEC	Construction of 2NO classrooms	1,400,000	-	not started



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
NYAKWAKA JUNIOR SEC	Construction of 1NO classroom	2,602,783	-	not started
FR. MARTIN RYKE JUNIOR SEC	Construction of 1NO classroom	-	-	
WAKHUNGU JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
EUGINE MASOMBO JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
BULOMA JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
BUNANDI JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
MUNYANJA JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
BURADI JUNIOR SEC	Construction of 1NO classroom	1,400,000	-	not started
BUKEKO JUNIOR SEC	Construction of 3NO classrooms	1,400,000	-	not started
LUGALA PRIMARY	Drilling of borehole	-	3,300,000	complete
SIFUYO PRIMARY	Renovation of 4 classrooms	-	1,800,000	not started
MUDOMA PRIMARY	Renovation of 4 classrooms	-	1,800,000	on going
MOODY AWOURY PRIMARY	Construction of 6NO classrooms storey building	3,000,000	3,000,000	on going
NYAKHOBI PRIMARY	Renovation of 5	-	2,580,000	complete

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name			Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
			classrooms			
SIBINGA PRIMARY			Construction of 1NO classroom	-	1,400,000	not started
BUKIRI PRIMARY			Construction of 1NO classroom	-	1,400,000	on going
BUKEKO PRIMARY			Construction of 1NO classroom	-	1,400,000	on going
BUBURI PRIMARY			Construction of 1NO classroom	-	1,400,000	complete
BUNJWANGA PRIMARY			Construction of 6NO classrooms storey building	3,000,000	3,000,000	on going
MUDOMA PRIMARY			Completion of Admin Block	-	1,300,000	complete
NANGINA MIXED PRIMARY			Construction of 2 classrooms	-	2,800,000	complete
WAKHUNGU PRIMARY			Construction of 1 classrooms	-	1,400,000	not started
BUMBE PRIMARY			Construction of 1 classrooms	-	1,400,000	complete
BUSIJO INTER. PRIMARY			Construction of 1 classrooms	-	1,400,000	complete
NAMUDURU PRIMARY			Construction of 1 classrooms	-	1,400,000	complete
NABUGANDA PRIMARY			Renovation of 2 classrooms	-	1,800,000	complete
NAMBOBOTO PRIMARY			Construction of modern ablution	2,000,000	2,000,000	complete



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
<b>b) Secondary Schools</b>				
NYAKHOBI SEC. SCHOOL		-	-	not started
ST CECILIA NANGINA GIRLS	Construction of modern ablution block f	2,000,000	-	completed
ST MARK BUKIRI SEC	Construction to completion of 240 capacity Dormitory co-funding with BOM.	3,000,000	-	on going
ST. STEPHEN BUJWANGA	Additional funds for the construction of a storey tuition block comprising of 8No classrooms: 1st floor Walling, roofing, fitting of doors and windows, electrical works and plastering.	1,500,000	3,700,000	on going
NAMUNYENDA SEC. SCHOOL	Construction of science laboratory	-	1,500,000	completed
ST.CHRISPINE GIRLS SEC.SCH	Equipping		-	completed

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
	solarisation and installation of water tanks			
SIGALAME HIGH SCHOOL.	Construction of 256NO Capacity Dormitory block	-	2,600,000	not started
NYAKHOBI SEC. SCHOOL	Construction of ground floor to completion	-	1,050,000	on going
NAMUDURU GIRLS SEC. SCH	Completion of administration block	-	1,700,000	completed
SIJOWA SEC. SCHOOL	Completion of administration block	-	1,500,000	completed
MAMBOBOTO BOY SEC SCH	Construction of modern ablution block	-	1,300,000	completed
SIJOWA Secondary	Renovation of 2 NO classrooms	3,400,000	3,400,000	completed
SIJOWA SEC. SCHOOL	Construction of science laboratory	3,400,000	3,400,000	completed
MAMBALE RC Secondary	Construction of science laboratory	1,800,000	1,800,000	completed
ST JOSEPH GANJALA SEC	Construction of a dinning whole kitchen and administrative	2,000,000	-	on going



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
	offices			
<b>c) Tertiary Institutions</b>				
Sub-Total		<b>75,244,754</b>	<b>56,530,000</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>a) Security Projects</b>				
BUJWANGA ASSISTANT CHIEFS OFFICE	Completion of office	-	250,000	completed
BUKIRI POLICE POST	Construction of police post	-	1,000,000	completed
GANGA POLICE POST	Completion of police post	-	600,000	completed
NAMBOBOTO CHIEFS OFFICE	Construction of chiefs office	-	1,169,000	completed
SIO PORT DIVISIONAL HEADQUARTER	Construction of septic tank	-	1,400,000	on going
SIO PORT DIVISIONAL HEADQUARTER	Construction of divisional offices	-	3,000,000	on going
NAMUDURU POLICE POST	Completion of police post	-	700,000	completed
<b>b) Environment Projects</b>		-	-	
MUGASA PRIMARY	Planting of trees	100,000	-	not started

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name		Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
BUKHULUNGU PRIMARY		Planting of trees	100,000	-	not started
BUSEMBE PRIMARY		Planting of trees	100,000	-	not started
HAKATI PRIMARY		Planting of trees	100,000	-	not started
BUSIBI GIRLS SEC		Construction of 8No pit latrine	-	650,000	completed
BURUDU PRIMARY		Construction of 8No pit latrine	-	650,000	completed
HAKATI PRIMARY		Construction of 8No pit latrine	-	650,000	completed
c) Sports		Organizing of sporting activity	298,029	307,716	
d) Emergency		Cater for unforeseen occurrences	5,325,825	6,540,828	
e) Bursary					
Secondary Schools		Payment of bursary to needy students in sec. school	(12,362,774)	8,993,403	completed
Tertiary Institutions		Payment of bursary to needy students in tertiary	299,018.	4,159,031	completed
Universities			-	-	
Education Day			5,000	-	completed



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Education Support Programmes		-	-	
Social Security		-	-	
Sub-Total		(12,058,756)	30,069,978	
<b>Acquisition of assets</b>				
Funyula NG-CDF Office				
Purchase of Motor Vehicle				
Sub-Total		2,056,303		
<i>Others (specify)</i>				
Strategic Plan		1,000,250	2,000,000	Final stage
Innovation Hub		13,954,215	-	Not stated
Electricity Projects		8,000,000	8,000,000	Not started
Sub-Total		22,954,465	10,000,000	
Funds pending approval				
<b>Sub-total</b>				
<b>Grand Total</b>		<b>74,841,154</b>	<b>96,688,378</b>	

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

---

**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				17,240,068	-	-	17,240,068
Transport equipment				3,833,200	-	-	3,833,200
Office equipment, furniture and fittings				961,850	-	-	961,850
ICT Equipment, Software and Other ICT Assets				575,900	-	-	575,900
Other Machinery and Equipment				485,250	-	-	485,250
Intangible assets					-	-	
<b>Total</b>				<b>23,096,268</b>	<b>-</b>	<b>-</b>	<b>23,096,268</b>



*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*  
**Annex 5 –PMC Bank Balances as at 30<sup>th</sup> June 2024**

PMC	Bank	Account number	Bank Balance 2023/24	Bank Balance 2022/23
NAMUDURU PRIMARY SCHOOL PMC	Equity Bank	0780279766714	587,715	7,704
NAMUNYWEDA PRIMARY SCHOOL PMC	Equity Bank	0780281002756	53,152	10,680
NAMUNYWEDA SECONDARY SCHOOL PMC	Equity Bank	0780279760808	286,270	18,075
NANGINA MIXED PRIMARY SCHOOL PMC	Equity Bank	0780279699890	338,825	1,895
NYAKHOBI PRIMARY SCHOOL - PMC ACCOUNT	Equity Bank	0780277838085	57,978	307,739
NYAKHOBI SECONDARY SCHOOL PMC	Equity Bank	0780279767390	418,597	4,750,350
SIBINGA PRIMARY SCHOOL PMC	Equity Bank	0780279957750	51,813	21,350
SIFUYO PRIMARY SCHOOL-PMC	Equity Bank	0780281008347	29,871	27,650
SIGALAME HIGH SCHOOL PMC	Equity Bank	0780279710086	3,738,169	575,520
SIGULU PRIMARY SCHOOL PMC	Equity Bank	0780279763411	19,890	1,949,800
SIJOWA PRIMARY SCHOOL PMC	Equity Bank	0780281001665	56,230	48,029
SIJOWA SECONDARY SCHOOL PMC	Equity Bank	0780281001635	150,099	1,800,163
SIREKERESI PRIMARY SCHOOL PMC	Equity Bank	0780280083354	25,990	18,440
ST. PETERS BUSIBI GIRLS SECONDARY SCHOOL pmc	Equity Bank	0780277838800	50,712	
ST.CATHERINE NANGINA GIRLS BOARDING SCHOOL PMC	Equity Bank	0780281017166	203,181	
ST.CHRISPINE SAMIA GIRLS SECONDARY	Equity Bank	0780281001538	151,403	

*National Government Constituencies Development Fund (NGCDF)*  
*Funyula Constituency*  
*Annual Report and Financial Statements for The Year Ended June 30, 2024*

PMC	Bank	Account number	Bank Balance 2023/24	Bank Balance 2022/23
SCHOOL PMC				
ST.MARK BUKIRI SECONDARY SCHOOL PMC	Equity Bank	0780279507839	00	120,210
ST.STEPHEN BUJWANG'A MIXED DAY SECONDARY PMC	Equity Bank	0780280057133	5,539,750	51,044
WAKHUNGU PRIMARY SCHOOL PMC	Equity Bank	0780279699932	1,411,643	141,152
<b>Total</b>			<b>13,171,518</b>	<b>9,849,801</b>



*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

**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. Unsupported expenditure on Bursaries	The statement of receipts and payments, and as disclosed in Note 8 to the financial statements, reflects a balance of Kshs. 92,952,089 in respect of other grants and transfers which, includes Kshs. 77,493,178 and Kshs. 714,670 being bursary disbursements to Secondary Schools and Tertiary Institutions respectively totalling Kshs. 78,207,848. However, receipts and acknowledgement letters from the beneficiary institutions amounting to Kshs.	The management has followed up the matter and ensured all the receipt and acknowledgments for all the bursary issued to institutions have been retrieved and filled	Not resolved	December 2024

*National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency  
 Annual Report and Financial Statements for The Year Ended June 30, 2024*

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>77,972,849 were not provided to confirm receipt of the disbursements. In the circumstances, the accuracy and completeness of the expenditure of Kshs. 77,972,849 on bursaries could not be confirmed.</p>			




National Government Constituencies Development Fund (NGCDF)  
 Funyula Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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)
<b>2. Budgetary Control and Performance</b>	<p>The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs. 249,841,420 and Kshs.153,969,558 respectively resulting to an under-refunding of Kshs. 95,871,862 or 38% of the budget. Similarly, the Fund spent Kshs. 153,653,042 against actual receipts of Kshs. 153,969,558 resulting to an under-utilization of Kshs. 316,516. The under -funding affected the planned activities and may have impacted negatively on service delivery to the public. My opinion is not</p>	<p>The under -funding and was brought about by delay in disbursement of funds from exchequer</p> <p>Under- utilization of funds is as a result of delay in procurement process and some of the funds were for emergency activity which by the end of the financial year no such occurrences had happened hence underutilization of funds</p>	<p>Not resolved</p>	<p>December 2024</p>

**National Government Constituencies Development Fund (NGCDF)  
Funyula Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2024**

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)
	modified in respect of this matter.			

  
 .....  
 Gregory Keya Otalo  
 Fund Account Manager.