

REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 01 AUG 2024 DAY: OF Afternoon

TABLED BY: Deputy Leader of Majority Party  
CLERK AT THE TABLE: Benson Inzoti

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**THE AUDITOR-GENERAL**

**ON**

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

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

OFFICE OF THE AUDITOR - GENERAL  
P.O.Box 95202, MOMBASA.  
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WUNDANYI CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2023

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

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

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**I. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committees

FY-Financial Year

## **II. Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

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

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

### **Vision**

Equitable Socio-economic development countrywide

### **Mission**

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

### **Core Values**

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

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

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

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

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

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

### **Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 202- and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Stephen Kahindi Charo
2.	Sub-County Accountant	Jasper Gitonga Ngai
3.	Chairman NGCDFC	Kennedy Mwanyange Mwashako
4.	Member NGCDFC	Evelyn Sambo

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

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Wundanyi Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

#### **(d) Wundanyi Constituency NG-CDF Headquarters**

P.O. Box 1122-80304  
Huduma Centre Building  
Wundanyi, KENYA

#### **(e) Wundanyi Constituency NG-CDF Contacts**

Telephone: (254) 795-736169  
E-mail: [cdfwundanyi@ngcdf.go.ke](mailto:cdfwundanyi@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(f) Wundanyi Constituency NGCDF Bankers**

Kenya Commercial Bank  
Wundanyi, Branch  
A/C. No. 11386099  
P.O. Box 1067-80304  
Wundanyi.

**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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

**III. NG-CDFC Chairman’s Report**



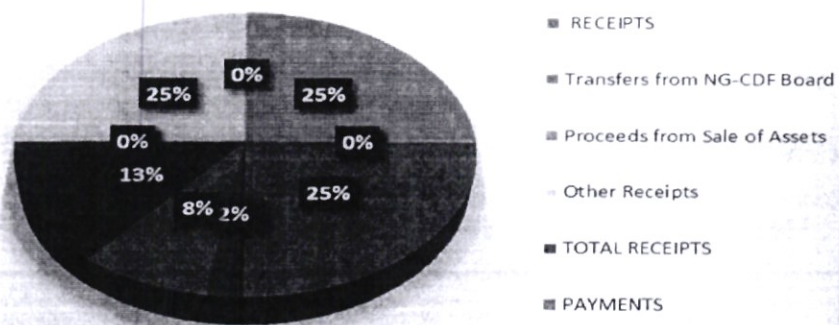
**Mr. KENNEDY MWANYANGE**

It gives me great pleasure to thank the people of Wundanyi for the trust they have in our leadership. It is with great joy that I present to you the financial statements and annual report for the year ended 30<sup>th</sup> June 2023.

I take this opportunity on behalf of the NG-CDFC Wundanyi to highlight on the achievements, challenges and my opinion on the way forward on better utilization and service delivery to the Wundanyi constituents.

In the year under review, the Constituency received Kshs. 87,000,000 from the board in that FYR 2022-2023 and an opening cash book balance of Kshs. 17,498,333. The constituency spent Kshs. 96,006,263 and closed with a cash book balance of Kshs. 25,492,072 which was 62.2%.

**BUDGET VS ACTUAL EXPENDITURE**



Wundanyi NGCDFC have disbursed all the funds to the Project Management Committees who were the implementing agents of the fund. The fund has enhanced service delivery and improve the status of our learning institutions.

To improve the learning environment in our schools and enhanced security in the constituency, the Committee was able to undertake infrastructure improvement projects in 08 Primary Schools, 05 Secondary Schools, 01 tertiary institution and 02 security projects. The priority was given to

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completion of the 2022/23 projects as the new projects were also implemented as tabulated below. My committee also in the process of purchased a new bus for Mghalu Secondary School.

**Key achievements for the entity**

<b>PROJECT NAME</b>	<b>PROJECT ACTIVITY</b>	<b>Status</b>
<b>1. PRIMARY SCHOOLS</b>		
Mbauro Primary School	Construction of 8 new classroom block storey building	New-Ongoing
Mghambonyi Primary School	Construction of 8 new classroom block storey building	New-Ongoing
Maynard primary schools	Renovation of 3 classrooms and staff quarters	New-Ongoing
Kitumbi Primary School	Renovation of 2 classrooms to completion	New-Ongoing
Maghimbinyi Primary school	Construction Completion of an administration block comprising of 3 offices and 1 staff room	Previous
Sangenyi Primary School	Renovation of 8 classrooms to completion	Previous
Mlechi Primary School	Construction of staff quarters	Previous
Serienyi Primary School	Construction of staff quarters	Previous
<b>2. SECONDARY SCHOOLS</b>		
Kitumbi Secondary School	Construction of a modern laboratory to completion	Previous
St. Agatha Secondary School	Completion of a dormitory	Previous
Funju Secondary School	Completion of a dining hall	Previous
Mwangeka Girls High School	Completion of 2 classes and a stair case	Previous
Mghalu Secondary School	Purchase of a new school bus	New-Ongoing
<b>3. TERTIARY</b>		
Wumingu TTI	Construction of the Principal's house	New-Ongoing
<b>4. SECURITY</b>		
<b>Wanganga Chief's Office</b>	Construction of the Chief's office	New-Ongoing
Wundanyi Divisional police HQs	Completion of the Wundanyi Police	Previous
Wundanyi ACC office	Completion of the Wundanyi ACC office	Previous

**Wundanyi Police Station.**

The construction of the Police station started in the last two years and has been completed in this financial year, it has helped to enhance security in the area and reduced cases of crime, it has provided a conducive working environment to the officers and the stakeholders.



**CONSTRUCTION OF MODERN TAITA SUB-COUNTY HEADQUARTERS & WUNDANYI POLICE STATION**



**OLD WUNDANYI POLICE STATION- WUNDANYI SUB-COUNTY**

*Figure 1. After Figure .2 Before*

The committee was able to award Kshs. 41,712,972 worth of bursaries to over 3,500 beneficiaries in both Secondary and tertiary institutions. The process was undertaken in a credible and transparency manner through public participation. To promote accountability in the management of the funds allocated to the constituency the list of all bursary beneficiaries was posted on the notice board for public scrutiny and verification.

On environment projects, 10 rain water harvesting structures in 10 primary schools were implemented. This project will go a long way in managing surface run off and establishment of school kitchen gardens and manage the newly planted tree seedlings during the dry months

**The key emerging issues and Challenges:**

- The hill topography, poor road infrastructure and the expansiveness of the constituency raises the cost of projects
- Inadequate of an efficient process of identification of needy students
- The unavoidable costs incurred during bursary vetting and disbursement process which is compounded by the challenging topography and expansiveness of the Constituency.
- Low economic status of the community piles pressure on the fund to demand for resources being allocated to school feeding programs.
- The bursary forms movement process for stamping by the respective school as evidence that the beneficiary is a learner in that particular institutions.

**Recommendations/ way forward:**

- On the needy cases identification process, the committee has developed a bursary and elaborate vetting process to ensure that the money allocated for bursary kitty is allocated to the very needy. The committee has also developed a vetting criteria to ensure that only the very needy benefit with the funds.
- In relation to the cost of bursary process the committee has selected a lean team per ward to undertake the vetting of the process. They have been trained on best practices of vetting and a criteria set to ensure standard vetting procedure.
- The NG-CDF relies fully on ministerial technical departments for support in areas of Bill of Quantities, technical design and supervision of projects, delays normally occur as the personnel involved are not under direct control of NGO-CDF Board should have its own technical experts to enhance efficiency in project implementation.
- Engaging other Government agencies and public sensitization meetings on the NGCDF mandate
- The committee has recommended the use the latest report form as evidence that the learner was in school

I wish to sincerely thank the Member of National Assembly Hon..Danson Mwashako, Deputy County Commissioner, NG-CDFCs, CDFC staff, Project Management committees, the Sub County Accountant, and other stakeholders for the cooperation during this financial year. Without them we could not achieve our mandate to the people of Wundanyi Constituency

.....  
  
**Name: KENNEDY MWANYANGE  
CHAIRMAN NGCDF COMMITTEE**

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

**Introduction**

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

The key development objectives of *Wundanyi Constituency 2022-2023* plan are to:

- To improve access to education and training
- To enhance security and create a good working environment to the police and NGAO officers.
- The projects are designed to increase forest cover through tree growing, water conservation/ manage surface runoff and keep a clean environment

**Progress on attainment of Strategic development objectives**

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

<b>Sector</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Education	To improve access to education and training	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- Increased number of students accessing education</li> <li>- Increased number of schools with adequate facilities and equipment</li> <li>- Improved performance in national examinations</li> <li>- Increased number of schools with adequate sanitation facilities</li> </ul>	<p>In FY 2022/2023 - we increased number of useable classrooms by 52 through renovations and constructed 14 new ones for students and added new secondary 2 schools and 1 tertiary institution</p> <p>3500 students benefited from Bursary</p>
Security	To enhance security and create a good working environment to the police and NGAO officers.	Improved security and good working environment	Construction of Police posts in Wundanyi Constituency, deputy commissioner's offices, construction of local administrators' offices.	In the FY 2022/23 1 Police Divisional HQ, 2 local administration offices constructed and construction of 1 ACC office ongoing,
Environment	The projects are designed to	Increased forest cover,	Installation of roof rain water	10 rain water harvesting

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	increase forest cover through tree growing, water conservation/ manage surface runoff and keep a clean environment	improved water conservation/ surface runoff management	harvesting structures with 10,000 litre tanks	structures with 10,000 litre tanks in 10 primary schools
Sports	Nurturing talent of our youth.	More youth engaged in sports activities	Organization of a football tournament and distribution of game kits	In FY 2022/23 we have Organized 1 football tournament and distribution of game kits
Emergency	To allocate funds towards any unseen natural disaster	Allocate funds	Funds only to be used in case of an emergency	Emergency was allocated 7,1M of which as at 30 <sup>th</sup> of June only 4M was the balance because some of the projects which were emergency in nature were approved by the CDF Board.

## V. Statement of Governance

### Background Information on Wundanyi NG-CDF

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. Poverty remains one of Kenya's major development challenges, which puts pressure on the limited resources leading to environmental degradation, insecurity, low economic activities, illiteracy and poor health. All these tend to slow down the economic growth culminating into high poverty levels. This forms the basis for NG-CDF interventions.

The Fund is managed by the National Government Constituencies Development Fund Board. The board which operates at national level comprises of the Board of Directors and a Secretariat. Article 43 of the NG-CDF Act 2015 establishes the NG-CDF Committees at constituency level.

### Appointment and Removal of NG-CDFC Members

Under the NG-CDF Act, the term of service of Members in the 13<sup>th</sup> Parliament ended with the 08<sup>th</sup> August general election creating room for the appointment of the new committee Members. The process begun with former committee members being notified of end of their term. Then an appointment of a selection panel led by the Assistant County Commissioner Tom Otieno, Fund Account Manager Henry G. Wanjiku Members Elizabeth Mbinga and Catherine Mwangeka. The selection panel advertised the job vacancy and received applicants where successful ones were called for interviews. For appointment a Member has to meet the following criteria:

- a) Is a Kenyan Citizen, Committee.
- b) Is ordinarily a resident and a voter within the Constituency.
- c) Is able to read and write and to communicate in English and Kiswahili
- d) Meets the requirement of Chapter Six of the constitution
- e) Is available to participate in the activities of a Constituency Committee.

Names of successful candidates were forwarded to the NG-CDF board for approval and forwarding to the National Assembly.

Once approved by Parliament the following Members Were Gazetted

NO	NAME	CATEGORY	WARD
1.	Kennedy Mwanyange Mwashako	Male (Adult)	Werugha
2.	Evelyn Sambo	Female (Adult)	Wumingu/Kishushe
3.	Janellizer Ngereri	Co-opted member	Wundanyi/Mbale
4	Charles Kilelu	Male youth	Mwanda/Mghange
5.	Liverson Kilelu	Co-opted member	Wundanyi/Mbale
6.	Clemence Mambori Toto	PWD rep	Werugha
7.	Josephine Chao	Female youth	Mwanda/Mghange

The process was followed by appointment letters for a term of service of 2 years. After the inaugural meeting, the members then were taken for induction training.

### Composition of Wundanyi NG-CDFC

The NG-CDFC is comprised of:

- a) The national government official responsible for co-ordination of national government functions;
- b) Two men, one of whom is a youth at the date of appointment;

- c) Two women, one of whom is a youth at the date of appointment;
- d) One person with disability representing persons with disabilities in the constituency
- e) Two persons nominated by the constituency office
- f) One member co-opted by the Board
- g) The Fund Manager is an e- officio member without a vote.

#### **Mandate and Functions of Wundanyi NG-CDFC**

The mandate and functions of the NG-CDFC is established pursuant to section 43(1) of NG-CDF Act, 2015 (Amended 2016) with its functions at the constituency level to include:

- a) Building the capacity of project management committees and sensitize the Community on the operations of the Fund
- b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency
- c) Ensure all proposed projects that are approved for funding meet the requirements of section 24 of the NG-CDF Act
- d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans
- e) Consult with relevant government departments to ensure that cost estimates for projects are realistic
- f) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects.
- g) Participate in ranking projects proposals in order of priority while ensuring that ongoing projects take precedence
- h) Ensure that all projects receive adequate funding and are completed within three years
- i) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies
- j) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the NG-CDF Board.

The total number of CDFC meetings held in the FY 2022/23 were twenty-four. While the other sub Committee include the Bursary Sub-Committee and Complaints sub-committee Which comprises if four members each from the main NG- CDFC members.

## VI. Environmental and Sustainability Reporting

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

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

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

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

## **2. Environmental performance**

- *The Wundanyi NG-CDF has embarked on building water tanks to the primary schools for water harvesting and planting of vegetables in their school gardens.*
- *We constructed a modern police station based in Wundanyi/Mbale ward being the central ward in the constituency for impacting use of drugs abuse within the constituency.*
- *The constituency holds one sports events annually to help promote and bring communities together and sensitizing them on environmental conservation of tress like the Mti Mtoto initiative where the youths' female after giving birth are gifted with five species of trees to plant in their homes, thus encouraging planting of more trees.*

## **3. Employee welfare**

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

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

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

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

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

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

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

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

**Public Awareness**

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

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



.....  
Name: Stephen K Charo

Fund Account Manager.

## **VII. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the NGCD-Wundanyi 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, 202-. 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.

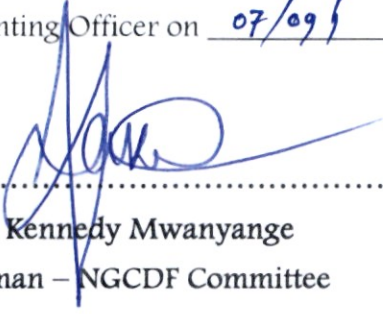
The Accounting Officer in charge of the NGCDF-Wundanyi Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 202-, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Wundanyi Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Wundanyi 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-Wundanyi Constituency financial statements were approved and signed by the Accounting Officer on 07/09/2023 2023.



.....  
Name: **Kennedy Mwanyange**  
Chairman – NGCDF Committee



.....  
Name: **Stephen K Charo**  
Fund Account Manager

# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WUNDANYI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023**

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### **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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal control, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Wundanyi Constituency set out on pages 1 to 42, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the

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

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

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in Cash and Cash Equivalents Balance**

The statement of assets and liabilities and as disclosed in Note 12A to the financial statements reflects bank balance of Kshs.25,492,070. Review of bank reconciliation statement for the month of June, 2023 revealed long outstanding unpresented cheques amounting to Kshs.11,057,806 as at 30 June, 2023. The cheques clearance evidence provided indicates that cheques amounting to Kshs.9,535,504 had been replaced as at April, 2024, leaving un-cleared balance of Kshs.1,522,301.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.25,492,070 could not be confirmed.

#### **2. Unsupported Project Management Committee Balances**

Note 17.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance totalling Kshs.47,510,480. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.47,510,480 could not be confirmed.

#### **3. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects other grants and transfers of Kshs.60,690,982 which as disclosed in Note 8 to the financial statements includes bursary disbursed to secondary schools, tertiary institutions and special schools of Kshs.34,097,199, Kshs.7,125,470 and Kshs.490,303 respectively, totalling Kshs.41,712,972. However, acknowledgement letters from three (3) beneficiary institutions for bursary amounting to Kshs.1,614,000 were not provided to support the expenditure.

In the circumstances, the accuracy and completeness of bursary expenditure of Kshs.1,614,000 could not be confirmed.

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

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.168,507,029 and Kshs.104,498,333 respectively, resulting to an under-funding of Kshs.64,008,696 or 38% of the budget. However, the Fund spent a balance of Kshs.79,006,263 against actual receipts of Kshs.104,498,333 resulting to an under-utilization of Kshs.25,492,070 or 24% of the actual receipts.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Ineffective Contract Management**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflect transfers to other Government units of Kshs.4,900,000 which includes

an amount of Kshs.1,900,000 transferred to secondary schools. However, the following anomalies were observed;

### **1.1 Extra Works on Proposed Construction of Laboratory Block to Completion at Kitumbi Secondary School**

The Fund transferred an amount of Kshs.1,000,000 on 28 February, 2023 for extra works on plastering, painting, construction of septic and soak pit works for the proposed construction of a fifty (50) capacity laboratory block to completion at Kitumbi Secondary School project. As indicated in the minutes of the progress of the works meeting held on 9 September, 2022, the contractor informed the Project Management Committee that extra works which were not included in the Bill of Quantities were done. The Quantity Surveyor requested the contractor to submit Bill of Quantities for the extra works to establish the exact work variations. However, there was no evidence of submission of the Bill of Quantities for the extra works by the contractor as requested to justify the payment of Kshs.1,000,000. Further, the extra works were paid without certificates of completion and inspection and acceptance committee report.

In addition, physical inspection carried out in March, 2024 on the extra works revealed that hard wood shelf of Kshs.37,500 and shelf bearers of Kshs.54,000 in the base cabinets as stipulated in the Bill of Quantities element number 2, were not installed. Paint works on the base cabinets including under coat and two oil gloss coats of Kshs.5,400 were also not applied as stipulated in the Bill of Quantities.

### **1.2 Extra Works on Proposed Construction of Three (3) classrooms**

The Fund transferred an amount of Kshs.900,000 on 15 September, 2022 for extra works on installation of guard rails, ceiling works and fixing of ramps for the proposed construction of three (3) classrooms at Dr. Aggrey Secondary School project. However, the payment for the works was not supported by Inspection and Acceptance Committee report and practical completion certificates contrary to Section 48 (4)(e) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 35 (6) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, Management was in breach of the law and value for money spent on the project could not be confirmed.

## **2. Unsupported Emergency Projects**

The statement of receipts and payments and Note 8 to the financial statements reflects other grants and transfers of Kshs.60,690,982 which includes transfer to emergency projects of Kshs.3,500,000. Review of contract documents revealed that the construction of Warombo and Mwanda Chiefs' Offices toilets, at total cost of Kshs.900,000 did not qualify as emergency projects as Project Management Committee (PMC) minutes indicating the nature of the emergency were not provided. Further, no evidence was provided indicating that utilization of the Emergency Reserve was reported to the Board within thirty (30) days of the occurrence of the Emergency as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

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

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

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

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

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

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

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

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

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

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

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

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

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


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

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

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

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

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

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

**Nairobi**

**20 June, 2024**

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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	87,000,000	170,188,879
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,000,000</b>	<b>170,188,879</b>
<b>Payments</b>			
Compensation Of Employees	4	4,240,305	3,927,669
Committee expenses	5	4,364,500	5,216,800
Use Of Goods and Services	6	4,651,476	4,845,414
Transfers To Other Government Units	7	4,900,000	54,692,206
Other Grants and Transfers	8	60,690,982	98,201,969
Acquisition Of Assets	9		
Oversight Committee Expenses	10	-	-
Other Payments	11	159,000	-
<b>Total Payments</b>		<b>79,006,263</b>	<b>166,884,118</b>
<b>Surplus/ (Deficit)</b>		<b>7,993,737</b>	<b>3,304,761</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 07/09/ 2023 and signed by:



Fund Account Manager

Name: Stephen K. Charo



National Sub-County  
Accountant

Name: Jasper Ngai  
ICPAK M/No:29582



Chairman NG-CDF  
Committee

Name: Kennedy Mwanyange


*Wundanyi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**X. Statement Of Assets and Liabilities As At 30th June, 2023**


	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	25,492,070	17,498,333
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>25,492,070</b>	<b>17,498,333</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>25,492,070</b>	<b>17,498,333</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A		
Gratuity	14B	-	726,820
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>25,492,070</b>	<b>17,498,333</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	17,498,333	14,193,572
Prior Year Adjustments	16	-	
Surplus/Deficit for The Year		7,993,737	3,304,761
<b>Net Financial Position</b>		<b>25,492,070</b>	<b>17,498,333</b>

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

The Constituency financial statements were approved by NG CDFC on 07/09/ 2023 and signed by:

  
Fund Account Manager

Name: Stephen K Charo

  
National Sub-County  
Accountant

Name: Jasper Gitonga Ngai  
ICPAK M/No: 29582

  
Chairman NG-CDF  
Committee

Name: Kennedy Mwanyange

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

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

	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	87,000,000	170,188,879
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,000,000</b>	<b>170,188,879</b>
<b>Payments</b>			
Compensation Of Employees	4	4,240,305	3,927,669
Committee E-penses	5	4,364,500	4,965,200
Use Of Goods and Services	6	4,651,476	5,097,074
Transfers To Other Government Units	7	4,900,000	54,692,206
Other Grants and Transfers	8	60,690,982	98,201,969
Oversight Committee Expenses	10	-	-
Other Payments	11	159,000	
<b>Total Payments</b>		<b>79,006,263</b>	<b>166,884,118</b>
<b>Total Receipts Less Total Payments</b>		-	-
Adjusted For:		-	-
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18		
<b>Net Cash Flow from Operating Activities</b>		<b>7,993,737</b>	<b>3,304,761</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>			
<b>Net Increase In Cash And Cash Equivalent</b>		<b>7,993,737</b>	<b>3,304,761</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	12	<b>17,498,333</b>	<b>14,193,572</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	12	<b>25,492,070</b>	<b>17,498,333</b>

*Wundanyi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 07/09 2023 and signed by:



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Fund Account Manager

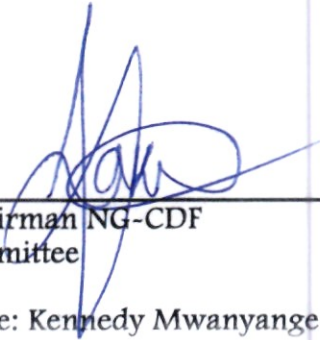
Name: Stephen K Charo



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National Sub-County  
Accountant

Name: Jasper Gitonga Ngai  
ICPAK M/No:29582



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Chairman NG-CDF  
Committee

Name: Kennedy Mwanyange

*Wundanyi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**XII. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023**

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
<b>Receipts</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Transfers From NGCDF Board	138,215,033	17,498,333	11,952,663	167,666,029	104,498,333	63,167,696	
Proceeds From Sale of Assets	841,000.00			841,000.00		841,000	0.0%
Other Receipts						-	
<b>Totals</b>	<b>139,056,033</b>	<b>17,498,333</b>	<b>11,952,663</b>	<b>168,507,029</b>	<b>104,498,333</b>	<b>64,008,696</b>	<b>62.0%</b>
<b>Payments</b>							
Compensation Of Employees	4,845,764	1,475,528		6,321,292.00	4,240,305	2,080,987	67.1%
Committee Expenses	4,161,681			4,161,681.00	3,667,510	494,171	88.1%
Use Of Goods and Services	4,507,596	1,126,551		5,634,147.38	5,287,666	346,481	93.9%
Transfers To Other Government Units	45,183,600	8,442,206	2,363,784	55,989,590.00	4,900,000	51,089,590	8.8%
Other Grants and Transfers	72,116,392	6,115,453	9,088,879	87,320,723.62	60,751,782	26,568,942	69.6%
Acquisition of Assets	7,400,000	179,595		7,579,595.00		7,579,595	0.0%
Oversight Committee Expenses						-	
Other Payments	-	159,000		159,000.00	159,000	-	100.0%
Funds Pending Approval**	841,000.00		500,000	1,341,000.00			0.0%
<b>Totals</b>	<b>139,056,033</b>	<b>17,498,333</b>	<b>11,952,663</b>	<b>168,507,029</b>	<b>79,006,263</b>	<b>89,500,766</b>	<b>46.9%</b>

**Explanatory Notes.**

(a) A commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)

- Compensation of employees-there was a balance brought forward from the previous year's thus the underutilised fund
- Committee expenses-there was a balance brought forward so the unutilised funds
- Transfer to other government units-delayed funding for project implementation.
- Other grants and transfers-delayed funding from the board for this project to have kicked off.
- Acquisition of assets-delayed funding from the board for this project to have kicked off.
- Funds pending approval- we are still awaiting for these funds to be approved by the board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	89,500,766
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	64,008,696
	<b>25,492,070</b>
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	<b>25,492,070</b>

The Constituency financial statements were approved by NG CDFC on 07/09/ 2023 and signed by:



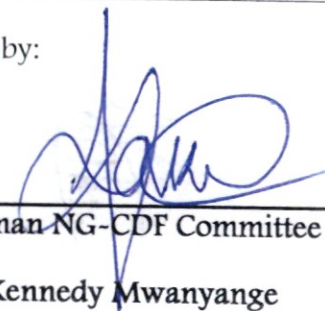
Fund Account Manager

Name: Stephen K Charo



National Sub-County Accountant

Name: Jasper Gitonga Ngai  
ICPAK M/No: 29582



Chairman NG-CDF Committee

Name: Kennedy Mwanyange

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

Programme/Sub-programme	Original Budget(a) 2022-2023	Adjustments(b)		Final Budget c = (a+b) 2022-2023	Actual on comparable basis(d) 30-06-23	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4,845,764.00	1,475,528		6,321,292	4,240,305	2,080,987
1.2 Committee allowances	1,230,000	1,500		1,231,500	1,230,000	1,500
1.3 Use of goods and services	2,267,596	445,070		2,712,666	2,712,666	0
<b>Total</b>	<b>8,343,360</b>	<b>1,922,098</b>	<b>-</b>	<b>10,265,458</b>	<b>8,182,971</b>	<b>2,082,487</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	880,000	320,150		1,200,150	385,829	814,321
2.2 Committee allowances	2,051,681	24,831		2,076,512	2,051,681	24,831
2.3 Use of goods and services	2,240,000	335,000		2,575,000	2,575,000	-
<b>Total</b>	<b>5,171,681</b>	<b>679,981</b>	<b>-</b>	<b>5,851,662</b>	<b>5,012,510</b>	<b>839,152</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	2,500,000			2,500,000	2,500,000	-

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

Programme/Sub-programme	Original Budget(a) 2022-2023	Adjustments(b)		Final Budget c = (a+b) 2022-2023	Actual on comparable basis(d) 30-06-23	Budget utilization difference(e = c-d)
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements			
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects	1,000,000			1,000,000	1,000,000	-
3.5 Unutilised	4,136,190			4,136,190		4,136,190
<b>Total</b>	<b>7,636,190</b>	-	-	<b>7,636,190</b>	<b>3,500,000</b>	<b>4,136,190</b>
<b>4.0 Bursary and Social Security</b>				-		
4.1 Secondary Schools	33,738,424	332,092		34,070,516	34,070,516	0
4.2 Tertiary Institutions	7,000,000	118,804		7,118,804	7,118,804	-
4.3 Social Security	600,000	1,014,000		1,614,000	502,149	1,111,851
4.4 Special Needs	500,000			500,000	490,303	9,697
<b>Total</b>	<b>41,838,424</b>	<b>1,464,896</b>	-	<b>43,303,320</b>	<b>42,181,772</b>	<b>1,121,548</b>
<b>5.0 Sports</b>				-		
Regional Sports tournament	411,846			411,846		411,846
Constituency Sports tournament	2,329,931	2,422,541		4,752,472	2,270,010	2,482,462

*Wundanyi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements	2022-2023	30-06-23	
				-		-
<b>Total</b>	<b>2,741,778</b>	<b>2,422,541</b>		<b>5,164,319</b>	<b>2,270,010</b>	<b>2,894,309</b>
<b>6.0 Environment</b>						
Sungululu primary school	100,000	-	-	100,000	-	100,000
Mbauro primary school	100,000	-	-	100,000	-	100,000
Mwarombo primary school	100,000	-	-	100,000	-	100,000
Mlawa primary school	100,000	-	-	100,000	-	100,000
Choke primary school	100,000	-	-	100,000	-	100,000
Ngilinyi primary school	100,000	-	-	100,000	-	100,000
Mghambonyi primary school	100,000	-	-	100,000	-	100,000
Nyache primary school	100,000	-	-	100,000	-	100,000
Ngulu Kiweto primary school	100,000	-	-	100,000	-	100,000
Mwakishimba primary school	100,000	-	-	100,000	-	100,000
St james primary school	100,000	-	-	100,000	-	100,000

**Wundanyi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget(a)	Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements	Final Budget (1-b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023			2022-2023	30-06-23	
St Johns primary school	100,000	-	-	100,000	-	100,000
Mwanda primary school	100,000	-	-	100,000	-	100,000
Ndumbinyi primary school	100,000	-	-	100,000	-	100,000
Mwangea Primary School	-	-	100,000	100,000		100,000
St. James Primary School	-	-	100,000	100,000		100,000
Ngulu Kiweto Primary School	-	-	100,000	100,000		100,000
Mwakashimba Primary School	-	-	100,000	100,000		100,000
Sungululu Primary School	-	-	100,000	100,000		100,000
Sirienyi Primary School	-	-	100,000	100,000		100,000
Mlechi Primary School	-	-	100,000	100,000		100,000
Choke Primary School	-	-	100,000	100,000		100,000
Mlilo Primary School	-	-	100,000	100,000		100,000
Marungu Primary School	-	-	100,000	100,000		100,000

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/Bk) and ALA	Previous years Outstanding Disbursements	2022-2023	30-06-23	
St peters Ikuminyi Primary School	-	-	100,000	100,000		100,000
				-		-
				-		-
				-		-
<b>Total</b>	<b>1,400,000</b>	<b>-</b>	<b>1,100,000</b>	<b>2,500,000</b>	<b>-</b>	<b>2,500,000</b>
<b>7.0 Primary Schools Projects</b>						
Sirienyi Primary School	400,000			400,000	400,000	-
Mlechi Primary School	400,000			400,000	400,000	-
Sangenyi Primary School	600,000			600,000	600,000	-
Ngonda Pri School	600,000			600,000	600,000	-
Ndumbinyi Pri School	500,000			500,000	500,000	-
Maghimbinyi Pri School	500,000			500,000	500,000	-
Mbauro Primary School	10,000,000			10,000,000	-	10,000,000
Mghambonyi Primary School	9,159,000			9,159,000	-	9,159,000

*Wundanyi Constituency  
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	30-06-23	
Fighinyi primary school	-	2,000,000		2,000,000		2,000,000
Maynard primary school	-	3,000,000		3,000,000		3,000,000
Mbauro primary school	-	2,000,000		2,000,000		2,000,000
shagha primary school	-	-	400,000.00	400,000		400,000
st james primary school	-	-	313,784.00	313,784		313,784
Sirienyi Primary School	-	-	400,000.00	400,000		400,000
Mlechi Primary School	-	-	400,000.00	400,000		400,000
St peters Ikuminyi Primary School	-	542,206		542,206		542,206
<b>Total</b>	<b>22,159,000</b>	<b>7,542,206</b>	<b>1,513,784</b>	<b>31,214,990</b>	<b>3,000,000</b>	<b>28,214,990</b>
<b>8.0 Secondary Schools Projects</b>						
St Agatha secondary school	1,000,000			1,000,000		1,000,000
Mwangeka Girls Secondary School	1,000,000			1,000,000		1,000,000

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/BIO and AIA)	Previous years Outstanding Disbursements	2022-2023	30-06-23	
Kitumbi High School	1,000,000			1,000,000	1,000,000	-
Funju secondary school	500,000			500,000		500,000
Mghalu High School	9,762,300			9,762,300		9,762,300
Shimbo High School	9,762,300			9,762,300		9,762,300
DR. AGGREY HIGH SCHOOL		900,000		900,000	900,000	-
Canon Kituri Secondary School			850,000	850,000		850,000
<b>Total</b>	<b>23,024,600</b>	<b>900,000</b>	<b>850,000</b>	<b>24,774,600</b>	<b>1,900,000</b>	<b>22,874,600</b>
<b>9.0 Tertiary institutions Projects</b>						
<b>Total</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>10.0 Security Projects</b>						
Wundanyi Police Station	8,500,000			8,500,000	8,500,000	-
Wundanyi Assistant County Commissioner Administration Complex	6,500,000			6,500,000		6,500,000
Wanganga Chiefs Office	3,500,000			3,500,000	3,500,000	-

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Programme/Sub-programme	Original Budget(a) 2022-2023	Adjustments(b)		Final Budget c = (a+b) 2022-2023	Actual on comparable basis(d) 30-06-23	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
LUSHANGONYI AP CAMP		800,000		800,000	800,000	-
Masumbenyi Chiefs Office			1,500,000.00	1,500,000	-	1,500,000
Wanganga police post		1,428,016	88,879.01	1,516,895		1,516,895
Wumingu Assistant county commissioner office			5,000,000	5,000,000		5,000,000
Warombo chief office		-	450,000.00	450,000		450,000
Mwanda chief office			450,000.00	450,000		450,000
Vighombonyi ass chief office			500,000.00	500,000		500,000
				-		-
<b>Total</b>	<b>18,500,000</b>	<b>2,228,016</b>	<b>7,988,879</b>	<b>28,716,895</b>	<b>12,800,000</b>	<b>15,916,895</b>
<b>11.0 Acquisition of assets</b>				-		-
3Purchase of furniture and equipment	-	160,200		160,200		160,200
Purchase of computers	-	11,868	-	11,868	-	11,868
Construction of CDF office	-	7,527	-	7,527	-	7,527
	-			-		-
<b>Total</b>	<b>-</b>	<b>179,595</b>	<b>-</b>	<b>179,595</b>		<b>179,595</b>

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Programme/Sub-programme	Original Budget(a) 2022-2023	Adjustments(b)		Final Budget e = (a+b) 2022-2023	Actual on comparable basis(d) 30-06-23	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
<b>12.0 Other payments</b>						
Strategic Plan	2,000,000	159,000		2,159,000.00	159,000	2,000,000
NG-CDF Office	5,400,000			5,400,000.00	-	5,400,000
<b>Total</b>	<b>7,400,000</b>	<b>159,000</b>	<b>-</b>	<b>7,559,000</b>	<b>159,000</b>	<b>7,400,000</b>
<b>13.0 unallocated fund</b>						
Unapproved projects(KIWINDA SECONDARY)			500,000	500,000		500,000
Funds pending approval(sale of Motor vehicle )	841,000			841,000		841,000
PMC savings						
<b>Total</b>	<b>841,000</b>		<b>500,000</b>	<b>1,341,000</b>	<b>-</b>	<b>1,341,000</b>
	<b>139,056,033</b>	<b>17,498,333</b>	<b>11,952,663</b>	<b>168,507,029</b>	<b>79,006,263</b>	<b>89,500,766</b>

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

#### **XIV. Significant Accounting Policies**

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

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

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

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

##### **2. Reporting Entity**

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

##### **3. Reporting Currency**

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

##### **4. Significant Accounting Policies**

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

###### **a) Recognition of Receipts**

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Field Assets**

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-e-change 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 field asset register is maintained by each constituency and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 08 June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

*Significant Accounting Policies Continued*

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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

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**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO. B 205937	12,000,000.00	-
AIE NO. B 205640	12,000,000.00	-
AIE NO. B 206223	5,000,000.00	-
AIE NO. B 185817	15,000,000.00	-
AIE NO. B 185441	7,000,000.00	
AIE NO. B207716	15,000,000.00	
AIE NO. B207848	15,000,000.00	
AIE NO. B 185441	6,000,000.00	
AIE NO. 105330		33,000,000.00
AIE NO. B105586		44,000,000.00
AIE NO. B105963		22,000,000.00
AIE NO. B128740		6,000,000.00
AIE NO. B154352		12,000,000.00
AIE NO. B154246		12,000,000.00
AIE NO. B154464		18,000,000.00
AIE NO. B155517		23,088,879.00
AIE NO. A888993		100,000.00
<b>TOTAL</b>	<b>87,000,000.00</b>	<b>170,188,879</b>

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2. Proceeds From Sale of Assets

	<i>2022-2023</i>	<i>2021-2022</i>
	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>		

3. Other Receipts

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

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*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,742,346	2,197,826
Personal allowances paid as part of salary		
House Allowance	370,600	375,150
Transport Allowance	-	303,000
Leave allowance	-	-
NHIF	63,900	
Gratuity to contractual employees	986,779	972,853
Employer Contributions Compulsory national social security schemes	76,680	78,840
<b>Total</b>	<b>4,240,305</b>	<b>3,927,669</b>

**5. Committee Expenses**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	3,956,500	4,965,200
Other committee expenses	408,000	251,600
<b>Total</b>	<b>4,364,500</b>	<b>5,216,800</b>

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6. Use of Goods and services

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	61,754	78,249
Communication, supplies and services	81,000	169,100
Domestic travel and subsistence	667,550	1,019,700
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	519,240	1,691,400
Hospitality supplies and services	376,120	128,590
Insurance costs	275,765	
Specialised materials and services		
Office and general supplies and services	1,036,620	563,815
Fuel , oil & lubricants	718,500	600,000
Other operating expenses	31,000	360,900
Bank Charges	60,800.00	35,712
Security operations		
Routine maintenance - vehicles and other transport equipment	183,350	128,698
Routine maintenance- other assets	639,777	69,860
<b>Total</b>	<b>4,651,476</b>	<b>4,845,474</b>

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*Notes To The Financial Statements (Continued)*

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	3,000,000	28,742,206
Transfers To Secondary Schools (See Attached List)	1,900,000	25,950,000
Transfers To Tertiary Institutions (See Attached List)	-	-
<b>Total</b>	<b>4,900,000</b>	<b>54,692,206</b>

**8. Other Grants and Other transfers**

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	34,097,199	44,414,769
Bursary – tertiary institutions (see attached list)	7,125,470	11,423,200
Bursary – special schools (see attached list)	490,303	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	408,000	570,000
Security projects (see attached list)	12,800,000	30,000,000
Sports projects (see attached list)	2,270,010	2,794,000
Environment projects (see attached list)	-	2,000,000
Emergency projects (see attached list)	3,500,000	7,000,000
Roads projects (see attached list)	-	-
<b>Total</b>	<b>60,690,982</b>	<b>98,201,969</b>

*Notes To the Financial Statements (Continued)*

**9. Acquisition Of Assets**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
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>

**10. Oversight Committee Expenses**

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

**11. Other Payments**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	159,000-	-
ICT Hub	-	-
	<b>159,000</b>	<b>--</b>

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Kenya Commercial Bank, 1103860992(Main account)</i>	25,492,070	17,498,333
<i>Name of Bank, account No. ( Deposits account)</i>	-	-
<b>Total</b>	<b>25,492,070</b>	<b>17,498,333</b>
<b>12 B: Cash on Hand</b>		
Location 1	--	--
Location 2	--	--
Location 3	--	--
Other Locations ( <i>Specify</i> )	--	--
<b>Total</b>	<b>--</b>	<b>--</b>

13. Outstanding Imprests

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

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*Notes to the Financial Statement Continued*

**14. Retention and Gratuity**

<b>14 A. Retention</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
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	--	--

<b>14 B. Gratuity</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	--	963,451.48
Gratuity held during the year (B)	--	726,820.42
Gratuity paid during the Year (C)	--	963,451.48
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	--	<b>726,820.42</b>

**15. Fund Balance B/F**

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

*[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	--	--	--
Accounts Payables	(--)	--	(--)
Receivables	--	--	--
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

	2022-2023	2021-2022
	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	--	--
Net changes in accounts Receivables D – A	--	--

18. Changes In Accounts Payable – Deposits and Retentions

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

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19. Other Important Disclosures

19.1: Pending Accounts Payable (See Anne- 1)

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

19.2: Pending Staff Payables (See Anne- 2)

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
NGCDFC Staff ( Gratuity)	-	726,820
Others ( <i>specify</i> )	-	--
<b>Total</b>	<b>-</b>	<b>726,820</b>

19.3: Unutilized Fund (See Annex- 3)

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	2,080,987	1,475,528
Committee expenses	494,171	0
Use of goods and services	346,481	1,126,551
Amounts due to other Government entities (see attached list)	51,089,590	10,805,990
Amounts due to other grants and other transfers (see attached list)	26,568,942	15,204,332
Acquisition of assets	7,579,595	179,595
Oversight Committee Expenses	-	0
Others ( <i>specify</i> )	-	159,000.00
Funds pending approval	1,341,000	500,000
<b>Total</b>	<b>89,500,766</b>	<b>29,450,996.00</b>

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19.4: PMC account balances (See Annex- 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
PMC account balances (see attached list)	--	--
Total	3,508,799.75	16,495,359

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Anne- 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 20-	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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**Anne- 3 – Unutilized Fund**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022/2023</b>	<b>Outstanding Balance 2021/2022</b>	<b>Comments</b>
Compensation of employees		2,080,987		
Committee Expenses		840,652		
Use of goods & services		-		
Amounts due to other Government entities				
St Agatha secondary school		1,000,000		
Mwangeka Girls Secondary School		1,000,000		
Kitumbi High School		-		
Funju secondary scool		500,000		
Mghalu High School		9,762,300		
Shimbo High School		9,762,300		
DR. AGGREY HIGH SCHOOL		-		
canon kituri secondary school		850,000		
Mbauro Primary School		10,000,000		
Mghambonyi Primary School		9,159,000		
Fighinyi primary school		2,000,000		
Maynard primary school		3,000,000		

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022/2023</b>	<b>Outstanding Balance 2021/2022</b>	<b>Comments</b>
Mbauro primary school		2,000,000		
shagha primary school		400,000		
st james primary school		313,784		
<b>Sub-Total</b>				
<b>Amounts due to other grants and other transfers</b>				
Masumbenyi Chiefs Office		1,500,000		
Wanganga police post		1,516,895		
Wumingu Assistant county commissioner office		5,000,000		
warombo chief office		450,000		
mwanda chief office		450,000		
vighombonyi ass chief office		500,000		
Wundanyi Assistant County Commissioner Administration Complex		6,500,000		
Emergency		4,136,190		
Social Security		1,111,851		
Special Needs		9,697		

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Sub-Total		26,568,941.58		
Acquisition of assets				
3Purchase of furniture and equipment		160,200		
Purchase of computers		11,868		
Construction of CDF office		7,527		
3Purchase of furniture and equipment		160,200		
Oversight Committee Expenses (itemize )				
Others ( <i>specify</i> )				
Strategic Plan		2,000,000.00		
NG-CDF Office		5,400,000.00		
Sub-Total		7,579,595		
Funds pending approval		1,341,000		
Grand Total		89,500,766		

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**Anne- 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	34,700,000			34,700,000
Buildings and structures	1,103,160			1,103,160
Transport equipment	11,637,716			11,637,716
Office equipment, furniture and fittings	2,014,402			2,014,402
ICT Equipment, Software and Other ICT Assets	472,098			472,098
Other Machinery and Equipment	-			-
Heritage and cultural assets				
Intangible assets	-			-
<b>Total</b>	<b>49,927,376</b>			<b>49,927,376</b>

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**Anne- 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
SENIOR CHIEF MWANGEKA GIRLS SECONDARY SCHOOL	KCB	1294697331	4,637	4,637
MWANDA CHIEFS OFFICE	KCB	1285791495	1,083	2,089
WUNDANYI ASSISTANT COMM.OFFICE	KCB	1285435036	2,535,535	3,567,897
WUNDANYI POLICE STATION	KCB	123765389	23,028	32,640
WANGANGA CHIEF COMMUNITY	KCB	1278218505	549.75	527.30
MBAURO PRIMARY SCHOOL	KCB	1111939519	14,014.95	14,140.95
DALMAS MOKA SECONDARY SCHOOL	KCB	1110128932	17,215.95	17,215.95
MARUNGU PRIMARY SCHOOL	KCB	1272234622	17,897	17,897
MLILO PRIMARY SCHOOL	KCB	1110633378	35,647	35,899
MGHAMBONYI HIGH SCHOOL	KCB	1270278851	55,018	55,144
NGOLIA PRIMARY SCHOOL	KCB	1135232261	5,019.10	5,145.10
FUNJU SECONDARY SCHOOL	KCB	1285979532	3,992	2,983,493
ST. AGATHA NGOLOKI SECONDARY SCHOOL	KCB	1286111617	21,620	3,351,572
SACRED HEART MWAKIWIWI SECONDARY SCHOOL	KCB	1175837482	22,973.20	22,973
ST. JOHNS SECONDARY SCHOOL	KCB	1103844474	4,062	44,314
DR. AGGREY HIGH SCHOOL	KCB	1269972162	36,054	287,134
NGULU KIWETO PRIMARY SCHOOL	KCB	1286281199	7,967	628,471
ST. JAMES PRIMARY SCHOOL	KCB	1286111382	13,603	14,737
NDUMBINYI PRIMARY SCHOOL	KCB	1103836420	112,868.30	255,703

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
	KCB	1285172736	1,710	75,836
CHOKE PRIMARYS SCHOOL				
	KCB	1286246881	7,413	597,896
MAGHIMBINYI PRIMARY SCHOOL				
	KCB	1285187008	2,735	278,941
KISHUSHE PRIMARY SCHOOL				
	KCB	1286111099	13,845	14,727
NYAMBU PRIMARY SCHOOL				
	KCB	1286111226	181,403	185,033
MLAWA PRIMARY SCHOOL				
	KCB	1273983165	2,740	3,244
KIDULE PRIMARY SCHOOL				
	KCB	1286111285	1,889	1,959
WUMINGU PRIMARY SCHOOL				
	KCB	1135170495	35,449	35,449
FIGHINYI PRIMARY SCHOOL				
	KCB	1215542070	41,582	41,582
KIWINDA SECONDARY SCHOOL				
	KCB	1161164332	77,741.50	77,741.50
MDUNDONYI SECONDARY SCHOOL				
	KCB	1269972162	36,054	287,134
DR. AGGREY HIGH SCHOOL				
	KCB	1270764675	129,832	129,958
SHAGHA PRIMARY SCHOOL				
	KCB	1270278746	1,158	2,060,202
SHIMBO SECONDARY SCHOOL				
	KCB	1286417163	4,815	103,690
MWANDA PRIMARY SCHOOL				
	KCB	1286255619	3,507	599,563
MDUNDONYI PRIMARY SCHOOL				
	KCB	1314016547	23,028	200,000
NGONGODINYI PRIMARY SCHOOL				
	KCB	1272234622	18,149	17,897
MARUNGU PRIMARY SCHOOL				
	KCB	1286255511	748	370
KITUMBI HIGH SCHOOL				
	KCB	1233957422	61	180,561
LUSHANGONYI AP CAMP				
	KCB	1286111099	13,845	14,727
NYAMBU PRIMARY SCHOOL				

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
WERUGHA PRIMARY SCHOOL	KCB	1285625595	940	148,064
LUSHANGONYI PRIMARY SCHOOL	KCB	1286110831	399	99,155
<b>Total</b>			<b>3,508,799.75</b>	<b>16,495,359</b>

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**Anne- 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)
	Budgetary control and performance	There was an under-expenditure during the previous financial year of Kshs. 11,952,663	Resolved	The funds have been released by the Board on July 2023.



.....  
Stephen K. Charo  
Fund Account Manager.

