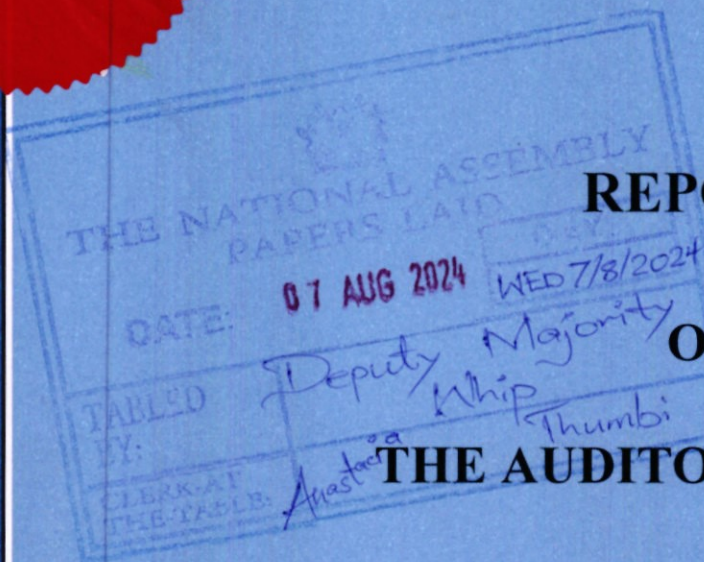


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**  
**OF**  
**THE AUDITOR-GENERAL**  
  
**ON**  
  
**NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND – KACHELIBA  
CONSTITUENCY**

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



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KACHELIBA 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)

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

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**Kacheliba 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 Committee

FY-Financial Year

## II. Key Constituency Information and Management

### (a) Background information

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

### **Mandate**

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

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

## **Kacheliba Constituency**

### **National Government Constituencies Development Fund (NGCDF)**

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

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- 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 programs 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 Kacheliba 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 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Krop Musa Merisia
2.	Sub-County Accountant	Kennedy Omariba
3.	Chairman NGCDFC	Paul Lopusingiro
4.	Member NGCDFC	Joseph Ichumar

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 221 - 30600  
Alale NGCDF Building  
Kapenguria, KENYA

**(e) Kacheliba Constituency NGCDF Contacts**

Telephone: (254) 704668788  
E-mail: [cdfkacheliba@ngcdf.go.ke](mailto:cdfkacheliba@ngcdf.go.ke)  
Website: [www.ngcdfb.go.ke](http://www.ngcdfb.go.ke)

**(f) Kacheliba Constituency NGCDF Bankers**

Equity Bank

Kapenguria Branch

P.O.Box 75104-00200

NAIROBI

**(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**

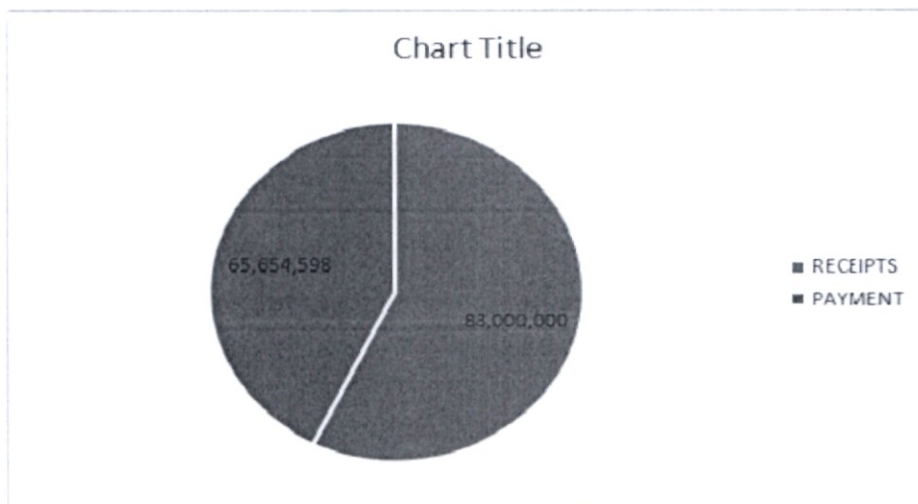


**Paul Lopusingiro**

Guided by the vision of NGCDF Kacheliba Constituency, which is to be renowned Constituency in advocating for all round socio-economic development and sustainability, the effective and efficient management of the fund takes a central point. Kacheliba NG CDF has continued to implement in a well-organized and coordinated manner the various projects which follows clearly set performance indicators and time frame, under each of the four strategic priorities namely: education infrastructure and bursary, security, environment and sports through equity and sustainable development in poverty eradication at community level.

The Key achievements have been access to quality and equal opportunity in education by giving bursaries to the less fortunate children both in secondary and tertiary level. During the year under review, Kacheliba NGCDFC was able to award bursaries to over 6,000 students both in secondary and tertiary level.

**RECEIPTS AND PAYMENTS**



The Budget utilisation was fairly good considering that a huge amount of Kshs 63,960,174\_has not been disbursed to the constituency from the Board representing 42% of the total allocation.

Implementation of NG-CDF Kacheliba objectives were achieved through timely providence of service delivery through school infrastructure, security infrastructures, school environmental services through construction of toilets and holding of Constituency tournament at Kodich Ward..

## **Kacheliba Constituency**

### **National Government Constituencies Development Fund (NGCDF)**

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

With these few remarks, I would wish to congratulate my CDFC committee, CDF Board and Fund Accounts manager for making this year a success.



Korokou Girls Sec.school Two Classrooms

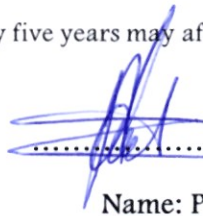


Kamketo Girls Sec.School 90 student's twin lab

#### **Challenges during implementation of projects**

The NG-CDF allocation is often not enough to finance all the identified projects leading to delay in completion

- Poor education outcomes
- Poor status of health indicators
- High numbers of vulnerable populations
- High poverty and dependency ratio
- Insecurity and high cattle rustling among the neighboring communities
- Due to expansive nature of the constituency, the Constituency NG-CDF requires additional transport vehicles for staff
- NG-CDF cannot fund all the projects that the constituents would wish for. The fund has a restricted mandate
- The political transition every five years may affect project continuity

  
.....

**Name: Paul Lopusingiro  
CHAIRMAN NGCDF COMMITTEE**

**IV. Statement Of Performance Against Predetermined Objectives for FY2022/2023**

**Introduction**

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

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

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

**Progress on attainment of Strategic development objectives**

For purposes of implementing and cascading the above development objectives to specific sectors, all the

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	43 number of usable physical infrastructure build in primary, secondary, and tertiary institutions - 4,050 number of bursary beneficiaries at all levels	In FY 20/21 -we increased number of classrooms from 32 to 52 for secondary schools, dormitories from 8 to 10, laboratories from 1 to 3. -we increased number of classrooms from 18 to 24 for primary schools, dormitories from 2 to 4, - Bursary beneficiaries at all levels were as per the attached schedules
Security	Facilitate construction of security infrastructures	Safe, peaceful and conducive environment	-4security infrastructures build within constituency	One additional security construction as compared to 2019/2020
Environment	Environmental Conservation in Kacheliba	Safe environment for students	8 school toilets were constructed	Toilets increased from 6 to 14 in primary schools

**Kacheliba Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

Sports	Organise constituency sport tournament	Peaceful co-existence and cohesion among constituents	The tournament in Kodich Ward was more organized	The team from all the six Wards appreciated the tournament
Disaster Management	Handling emergency activities promptly	Properly coordinated management program	2 security construction were funded and education stakeholders meeting was funded after education performance crises	Service delivery continued after crises

**V. Statement of Governance**

The National Government Constituencies Development Fund (NGCDF) is established under the NG-CDF Act, 2015 as amended in 2016. The main purpose of the Fund is to address socio-economic development of the people at the constituency level in order to reduce poverty and enhance regional equity. The NG-CDF Act 2015 aligned the operations of the Fund to the new constitutional dispensation especially in terms of ensuring that the law strongly embraces the principles of participation of the people, separation of powers, and delineation of functions between National and County governments.

The Fund is domiciled within the ministry in charge of National Economic Policy & Planning, currently The National Treasury and Planning & Managed by The National Government CDF Board at the National level, the NG-CDF committees at the constituency level and the project Management Committees (PMC) at the constituency level.

**National Government Constituency Development Fund Committee**

There is established a National Government Constituency Development

Fund Committee for every constituency. Each Constituency Committee shall comprise of—

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

## **Kacheliba Constituency**

### **National Government Constituencies Development Fund (NGCDF)**

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

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

#### **Functions of NGCDFC**

- Build capacity of PMC and sensitize the community on the functions of the fund
- Consider all project proposal from all wards
- Ensure that all project proposal considered for approval meet the requirement of section 24 of the Act.
- Rank project proposal in order of priority

#### **Project Management Process**

- Project Identification through ward meetings
- Prioritisation of projects by the constituency committee
- Approval of projects by NG-CDF Board Nairobi
- Disbursement of Funds to constituency Account
- Implementation of projects by PMCs
- Monitoring of Implemented projects by the Constituency Committees (NG-CDFCs) and by the NG-CDF Board
- Handing over of complete projects to the community

## **VI. Environmental and Sustainability Reporting**

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

- a. **Education and Training:** Kacheliba 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 2022/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## 2. Environmental performance

### **Environment Policy and Action Plan:**

Protection of the environment in which we live and operate is part of Kacheliba NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

### **Our Environmental Policy**

In this policy statement Kacheliba NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture

## **Kacheliba Constituency**

### **National Government Constituencies Development Fund (NGCDF)**

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

- Regularly communicating our environmental performance to our employees and other significant stakeholders.
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance.

#### **Our Environmental Action Plan**

Kacheliba NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are shown below:

<b>Impact Area</b>	<b>Approach</b>
Capacity Building	<ul style="list-style-type: none"><li>➤ Promote environmental awareness by sensitizing the Kacheliba NG-CDFC, NG-</li><li>➤ CDFC staff and PMCs on good conservation practices</li><li>➤ To encourage, through regular communication to Kacheliba NG-CDFC, staff , and other stakeholders changes in individual behaviour to reduce usage</li></ul>
Conservation of Energy and Resources	<ul style="list-style-type: none"><li>➤ To maximize use of available technologies to remove the need to use paper</li><li>➤ To encourage our clients to engage with us using electronic means where possible</li><li>➤ To maximize on rain water harvesting</li><li>➤ To make energy efficiency a key factor in the selection of any new energy devise being purchased</li><li>➤ To invest in available energy saving technologies and devices within our existing premises</li></ul>
Environmental Protection and Conservation	<ul style="list-style-type: none"><li>➤ To promote use of volt guards to control power surges</li><li>➤ We have constructed culverts and gabions to prevent soil erosion</li><li>➤ To encourage tree planting in the constituency to improve the forest cover.</li><li>➤ To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires</li></ul>
Pollution Control and Waste Management	<ul style="list-style-type: none"><li>➤ To ensure that all paper waste is recycled</li><li>➤ To ensure segregation of waste</li><li>➤ To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks</li></ul>

### **3. Employee welfare**

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

Kacheliba 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

**KachelibaConstituency**

**National Government Constituencies Development Fund (NGCDF)**

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

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**5. Community Engagements-**

Kacheliba 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.

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



.....  
Name: Krop Musa Merisia  
Fund Account Manager.



## VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Kacheliba Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kacheliba Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kacheliba 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 Kacheliba 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- Kacheliba Constituency financial statements were approved and signed by the Accounting Officer on 8<sup>th</sup> September, 2023.



Name: Paul Lopusingiro  
Chairman – NGCDF Committee



Name: Krop Musa Merisia  
Fund Account Manager

# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KACHELIBA 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 controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

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

#### **Adverse Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kacheliba Constituency set out on pages 1 to 39, which comprise the statement of assets and liabilities as at 30 June, 2023, and the

statement of receipts and payments, statement of cash flows, summary statement of appropriation 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Kacheliba 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 do not comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Adverse Opinion**

#### **1. Unsupported Prior Year Adjustment**

The statement of assets and liabilities reflects prior year adjustments balance of Kshs.6,110,000 which comprised of reversals of Kshs.2,500,000, Kshs.300,000, Kshs.1,000,000, Kshs.300,000, Kshs.1,000,000, Kshs.20,000, Kshs.950,000 and Kshs.40,000. However, the Management did not provide explanations and documents in relation to the reversals or bank statements to confirm the authenticity of the reversals.

In the circumstances, the completeness and accuracy of the prior year adjustment balance of Kshs.6,110,000 could not be confirmed.

#### **2. Unsupported Expenditure on Routine Maintenance of Vehicles and Other Transport Equipment**

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflect an amount of Kshs.3,928,640 in respect of use of goods and services which include an amount of Kshs.344,000 for routine maintenance of vehicles and other transport equipment. However, procurement documents including quotations, evaluation reports, invoices and delivery notes were not provided for audit.

In the circumstance, the accuracy, regularity and completeness of the expenditure of Kshs.344,000 could not be confirmed.

#### **3. Unsupported Compensation of Employees**

The statement of receipts and payments reflects compensation of employees amount of Kshs.2,366,435, as disclosed in Note 4 to the financial statements, related to basic wages of contractual employees. However, monthly employee schedules and payrolls showing

gross salaries, deductions and net pay were not provided for audit. Further, there was no record of staff biodata with information on employees' personal numbers, PIN, date of birth, date of employment, gender, job group and ethnicity, which was necessary for compliance with statutory dues and laws on employment, ethnic integration and gender balance.

In the circumstances, the accuracy, completeness and regularity of compensation of employee's expenditure of Kshs.2,366,435 could not be confirmed.

#### **4. Un-confirmed Project Management Committee Bank Balances**

Annex 5 to the financial statements reflects Project Management Committee (PMC) Bank balances of sixty-three (63) bank accounts balance of Kshs.2,019,140. However, the respective projects' cashbooks, certificates of bank balances, bank statements and bank reconciliation statements were not provided for audit review.

In the circumstances, the completeness, accuracy and existence of Project Management Committee bank balances of Kshs.2,019,140 could not be confirmed.

#### **5. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects expenditure on other grants and transfers amount of Kshs.48,417,223, as disclosed in Note 8 to the financial statements. Included in this amount is bursary disbursements to Secondary Schools and Tertiary Institutions amounting to Kshs.41,808,723. However, there was no evidence of the criteria used to award the bursaries ranging from the lowest amount of Kshs.5,000 to the highest amount of Kshs.15,000. Further, there were no bursary acknowledgements from the respective learning institutions that received the amounts. In addition, it was not possible to confirm whether deserving students benefitted from the bursary disbursements.

In the circumstances, the completeness, authenticity and validity of the disbursements to Secondary Schools and Tertiary Institutions totaling Kshs.41,808,723 could not be confirmed.

#### **6. Construction of two Classrooms at Kapsindoi Primary School**

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.3,000,000. Included in this amount is Kshs.1,000,000 paid for completion of two classrooms at Kapsindoi Primary School with a contract sum of Kshs.3,000,000. However, review of the project file revealed that there were no reports detailing particulars of Project Management Committee (PMC), project proposals, details of project funding, approved drawings and structural design, detailed approved Bill of Quantities, professional opinion from procurement officer, letter of acceptance for the award, signed contractual agreement with terms and conditions, inspection and acceptance reports and Fund monitoring and evaluation reports and works completion certificate. Further, the

Fund Management failed to provide the expenditure returns to account for the expenditure of Kshs.1,000,000.

In addition, audit inspection of the project carried out in March, 2024 revealed that the veranda works were not done, there were visible cracks on the floor and the painting works were only done for the first coat (undercoat).

In the circumstances, the accuracy and value for money for the expenditure on the project amounting to Kshs.1,000,000 could not be confirmed.

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

## **Emphasis of Matter**

### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects a final receipts budget and actual receipts on comparable basis of Kshs.154,601,095 and Kshs.90,640,921 respectively, resulting to under-funding of Kshs.63,960,174 or 41.4 % of the budget. Similarly, the Fund's actual expenditure was Kshs.65,654,598 against actual receipts of Kshs.90,640,921 resulting to an under-utilization of Kshs.24,986,323 or 28% of the actual receipts.

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

### **2. Non- Compliance with Budget Preparation Procedures**

The summary statement of appropriation for the year ended 30 June, 2023 reflects a final receipts and expenditure budget of Kshs.154,601,095. However, Management failed to provide the budget proposals and the public participation meetings minutes on the deliberations concerning development matters for each ward. Further, there was no program of events or a list of priority projects evidenced by public participation in public forums from each ward, contrary to the requirements of Section 27(1) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which provides that the Chairperson of the Constituency Committee shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every Ward in the Constituency to deliberate on development matters in the Ward and in the Constituency.

In the circumstances, the Fund Management was in breach of the law and the validity of the budget making process could not be confirmed.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

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

### **Other Matter**

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

In the audit report of the previous year, several issues were raised under the Report on financial statements, Report on Lawfulness and Effectiveness in Use of Public funds and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management had not resolved the issues or given explanation for failure to implement the recommendation.

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

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed because of the significance of the matters discussed in the Basis for Adverse Opinion, and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Failure to Provide Project Implementation Status Report**

During the year under review, the Fund did not provide a project implementation status report on sixty-seven (67) projects worth Kshs.92,789,103 for audit. This was contrary to Regulation 11(1)(t) of the National Government Constituencies Development Fund Regulations, 2016 that requires the Fund to submit to the Board a list of all the new projects commenced during the year and their completion status. The Fund is also required to submit a list of all projects approved, funded and commenced during the previous financial year and their completion status.

In the circumstances, Management was in breach of law and it was not possible to ascertain the status of projects implementation.

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

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

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 and based on the audit procedures performed because of the significance of the matter discussed in the Basis for Adhere opinion and Basis for Conclusion on Effectiveness of Internal Control, Risk Management and Governance, I confirm that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **Unutilized Prior Year Bank Balance**

Annex 3 to the financial statements are unutilized balances of Kshs.2,640,921 in respect to Project Management Committee bank accounts. However, no explanation was provided for failure to close the projects accounts and transfer the balances to the Fund account as required by Section 12 (8) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) that all unutilized funds of the projects to returned to the Constituency account.

In this circumstance, there was no assurance over the control of the Fund management over the unutilized PMC amounts.

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

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

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related

to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations

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

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

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

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

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 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 to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, SBS  
AUDITOR-GENERAL

Nairobi

11 June, 2024


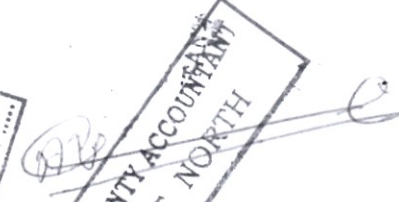

**Kacheliba Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

	Note	2022/2023 Kshs	2021/2022 Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	88,000,000	182,377,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>88,000,000</b>	<b>182,377,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,366,435	2,647,752
Committee expenses	5	5,742,300	5,687,960
Use Of Goods and Services	6	3,928,640	2,847,741
Transfers To Other Government Units	7	3,000,000	119,259,246
Other Grants and Transfers	8	48,417,223	64,119,771
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	-	-
Other Payments	11	2,200,000	-
<b>Total Payments</b>		<b>65,654,598</b>	<b>194,562,470</b>
<b>Surplus/(Deficit)</b>		<b>22,345,402</b>	<b>(12,184,712)</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 02 April 2024 and signed by:



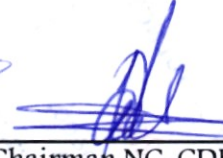
 <hr/> <b>Fund Account Manager</b> Name: Krop Musa Merisia	 <hr/> <b>National Sub-County Accountant</b> Name: Kennedy Omariba ICPAK M/ No:	 <hr/> <b>Chairman NG-CDF Committee</b> Name: Paul Lopusingiro
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**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****X. Statement Of Assets and Liabilities As At 30th June, 2023**

	Note	2022/2023	2021/2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	31,096,323	2,640,921
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>31,096,323</b>	<b>2,640,921</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>31,096,323</b>	<b>2,640,921</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>31,096,323</b>	<b>2,640,921</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	2,640,921	14,825,633
Prior Year Adjustments	16	6,110,000	-
Surplus/Deficit for The Year		22,345,402	(12,184,712)
<b>Net Financial Position</b>		<b>31,096,323</b>	<b>2,640,921</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 **02 April 2024** and signed by:

 <b>Fund Account Manager</b> Name: Krop Musa Merisa	 <b>National Sub-County Accountant</b> Name: Kennedy Omariba ICPAK M/No:	 <b>Chairman NG-CDF Committee</b> Name: Paul Lopusingiro
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**Kacheliba 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 Kshs	2021/2022 Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	88,000,000	182,377,758
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>88,000,000</b>	<b>182,377,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,366,435	2,647,752
Committee Expenses	5	5,742,300	5,687,960
Use Of Goods and Services	6	3,928,640	2,847,741
Transfers To Other Government Units	7	3,000,000	119,259,246
Other Grants and Transfers	8	48,417,223	64,119,771
Oversight Committee Expenses	10	-	-
Other Payments	11	2,200,000	-
<b>Total Payments</b>		<b>65,654,598</b>	<b>194,562,470</b>
<b>Total Receipts Less Total Payments</b>		<b>-</b>	<b>-</b>
Adjusted For:			
Prior Year Adjustments	16	6,110,000	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>28,455,402</b>	<b>(12,184,712)</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>-</b>	<b>-</b>
<b>Net Increase In Cash And Cash Equivalent</b>		<b>28,455,402</b>	<b>(12,184,712)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	12	<b>2,640,921</b>	<b>14,825,633</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	12	<b>31,096,323</b>	<b>2,640,921</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 02 April 2024 and signed by:

  
 Fund Account Manager  
 Name: Krop Musa Merista

  
 National Sub-County  
 Accountant  
 Name: Kennedy Omariba  
 ICPAK M/No:

  
 Chairman NG-CDF Committee  
 Name: Paul Lopusingiro

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

**XII. Summary Statement of Appropriation for The Year Ended 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 FY	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022/2023	2022/2023 FY			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>								
Transfers From NGCDF Board	151,960,174	2,640,921.00	-	154,601,095	90,640,921	63,960,174	58.6%	
Proceeds From Sale of Assets	-	-	-	-	-	-	0.0%	
Other Receipts	-	-	-	-	-	-	0.0%	
<b>Totals</b>	<b>151,960,174</b>	<b>2,640,921</b>	<b>-</b>	<b>154,601,095</b>	<b>90,640,921</b>	<b>63,960,174</b>	<b>58.6%</b>	
<b>Payments</b>								
Compensation Of Employees	4,844,863	396,823	-	5,241,686	2,366,435	2,875,251	45.1%	
Committee Expenses	4,864,747	1,000,000	-	5,864,747	5,742,300	122,447	97.9%	
Use Of Goods and Services	3,916,805	260,893	-	4,177,698	3,928,640	249,058	94.0%	
Transfers To Other Government Units	67,898,901	856,641	-	68,755,542	3,000,000	65,755,542	4.4%	
Other Grants and Transfers	63,315,256	23,115	-	63,338,371	48,417,223	14,921,148	76.4%	
Acquisition of Assets	-	-	-	-	-	-	-	
Oversight Committee Expenses	1,519,602	-	-	1,519,602	-	1,519,602	0.0%	
Other Payments	4,700,000	103,449	-	4,803,449	2,200,000	2,603,449	45.8%	
Funds Pending Approval**	900,000	-	-	900,000	-	900,000	-	
<b>Totals</b>	<b>151,960,174</b>	<b>2,640,921</b>	<b>-</b>	<b>154,601,095</b>	<b>65,654,598</b>	<b>88,946,497</b>	<b>42.5%</b>	

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


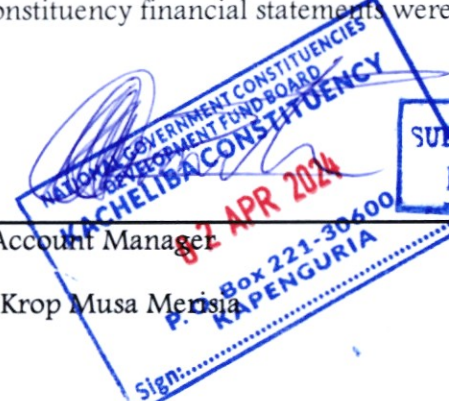

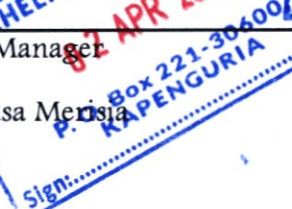



**Kacheliba Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

Explanatory Notes.

- (a) There was no AIA received in the year
- (b) The COC is yet to be formed hence, there was no expenditure on this item
- (c) Compensation of employees was spend at 45.1% as after the elections, due to logistic the staff were employed in January, 2023
- (d) The funds spend below 90% was due to inability to receive all funds from the Board

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	89,146,497
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	(63,960,174)
	25,186,323
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	6110000
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	31,296,323

The Constituency financial statements were approved by NG CDFC on 02 April 2024 and signed by:

    Fund Account Manager Name: Krop Musa Merisia Sign: .....	  National Sub-County Accountant Name: Kennedy Omariba ICPAK M/No:	 Chairman NG-CDF Committee Name: Paul Lopusingiro
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**Kacheliba Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	45,107		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	4,844,863	396,823		5,241,686	2,366,435	2,875,251	45%
1.2 Committee allowances	2,084,747	500,000		2,584,747	2,463,700	121,047	95%
1.3 Use of goods and services	2,316,805	260,893		2,577,698	2,428,640	149,058	94%
<b>Total</b>	<b>9,246,415</b>	<b>1,157,716</b>	<b>-</b>	<b>10,404,131</b>	<b>7,258,775</b>	<b>3,145,356</b>	<b>70%</b>
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building				-		-	
2.2 Committee allowances	2,780,000	500,000		3,280,000	3,278,600	1,400	100%
2.3 Use of goods and services	1,600,000	-		1,600,000	1,500,000	100,000	94%
<b>Total</b>	<b>4,380,000</b>	<b>-</b>	<b>-</b>	<b>4,880,000</b>	<b>4,778,600</b>	<b>101,400</b>	<b>98%</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools	7,636,190	6,200		7,642,390	6,308,500	1,333,890	83%
3.2 Secondary schools				-		-	
3.3 Tertiary institutions				-		-	
3.4 Security projects				-		-	
3.5 Unutilised				-		-	
<b>Total</b>	<b>7,636,190</b>	<b>6,200</b>	<b>-</b>	<b>7,642,390</b>	<b>6,308,500</b>	<b>1,333,890</b>	<b>83%</b>
<b>4.0 Bursary and Social Security</b>							
4.1 Secondary Schools	12,990,044	(624,862)		12,365,182	27,369,723	(15,004,541)	221%

**Kacheliba Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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4.2 Tertiary Institutions	20,610,616			20,610,616	14,439,000	6,171,616	70%
4.3 Social Security							
4.4 Special Needs	5,000,000			5,000,000	-	5,000,000	0%
<b>Total</b>	<b>38,600,660</b>	<b>(624,862)</b>	<b>-</b>	<b>37,975,798</b>	<b>41,808,723</b>	<b>(3,832,925)</b>	<b>110%</b>
<b>5.0 Sports</b>							
	2,689,203	41,777		2,730,980		2,730,980	0%
5.1	350,000			350,000		350,000	0%
<b>Total</b>	<b>3,039,203</b>	<b>41,777</b>	<b>-</b>	<b>3,080,980</b>		<b>3,080,980</b>	<b>0%</b>
<b>6.0 Environment</b>							
Natemberi primary		600,000		600,000		600,000	0%
	-						
Kachawa primary	-	-		-	300,000	(300,000)	0%
Moruongar Primary School	613,000			613,000		613,000	0%
Nakwijit Primary School	613,000			613,000		613,000	0%
Ngengechwo Primary School	613,000			613,000		613,000	0%
NG-CDF office	200,203			200,203		200,203	0%
<b>Total</b>	<b>2,039,203</b>	<b>600,000</b>	<b>-</b>	<b>2,639,203</b>	<b>300,000</b>	<b>2,339,203</b>	<b>11%</b>
<b>7.0 Primary Schools Projects</b>							
Kalam primary		800,000		800,000		800,000	0%
Alany Primary School	500,000			500,000		500,000	0%
Asilong Primary School	1,500,000			1,500,000		1,500,000	0%
Chemananga Primary School	500,000			500,000		500,000	0%
Chuwuwai Primary School	500,000			500,000		500,000	0%
Dorcas Primary School	500,000			500,000		500,000	0%
Elck Chemananga Primary School	3,000,000			3,000,000	1,000,000	2,000,000	33%
Hope Orolwo Primary School	3,000,000			3,000,000		3,000,000	0%
Hope Orolwo Primary School	500,000			500,000		500,000	0%
Islamic Primary School	1,500,000			1,500,000		1,500,000	0%
Kaamokongwo Primary School	500,000			500,000		500,000	0%
Kacheliba Girls Primary School	1,500,000			1,500,000		1,500,000	0%

**Kacheliba Constituency**  
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Kacheliba Mixed Primary School	1,500,000			1,500,000		1,500,000	0%
Kalemungorok Primary School	500,000			500,000	1,000,000	(500,000)	200%
Kamila Primary School	500,000			500,000		500,000	0%
Kamketo Primary School	500,000			500,000		500,000	0%
Kangoletiang Primary School	500,000			500,000		500,000	0%
Kangoletiang Primary School	6,000,000			6,000,000		6,000,000	0%
Kapkoghon Primary School	500,000			500,000		500,000	0%
Kapsindoi Primary School	3,000,000			3,000,000	1,000,000	2,000,000	33%
Kasaka Primary School	2,449,450			2,449,450		2,449,450	0%
Katulisia Primary School	500,000			500,000		500,000	0%
Kituti Primary School	3,000,000			3,000,000		3,000,000	0%
Kiwawa Primary School	3,000,000			3,000,000		3,000,000	0%
Kodera Primary School	2,449,450			2,449,450		2,449,450	0%
Kopeyon Primary School	1,500,000			1,500,000		1,500,000	0%
Kour Primary School	1,000,001			1,000,001		1,000,001	0%
Lochoriamonyang Primary School	6,000,000			6,000,000		6,000,000	0%
Lokelelian Primary School	500,000			500,000		500,000	0%
Lokichar Primary School	6,000,000			6,000,000		6,000,000	0%
Lotitien Primary School	500,000			500,000		500,000	0%
Moruongar Primary School	500,000			500,000		500,000	0%
Napis Primary School	3,000,000			3,000,000		3,000,000	0%
Natapar Primary School	500,000			500,000		500,000	0%
Ngotut Primary School	1,500,000			1,500,000		1,500,000	0%
Sapire Primary school	500,000			500,000		500,000	0%
Tight Primary School	500,000			500,000		500,000	0%
Tokos primary school	500,000			500,000		500,000	0%
<b>Total</b>	<b>60,398,901</b>	<b>800,000</b>	<b>-</b>	<b>61,198,901</b>	<b>3,000,000</b>	<b>58,198,901</b>	<b>5%</b>
<b>8.0 Secondary Schools Projects</b>							
Holy Cross Boys Kacheliba Secondary School	1,500,000	56,641		1,556,641		1,556,641	0%
Kapchok Girls secondary School	6,000,000			6,000,000		6,000,000	0%

**Kacheliba Constituency**  
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				-		-	
<b>Total</b>	<b>7,500,000</b>	<b>56,641</b>	<b>-</b>	<b>7,556,641</b>	<b>-</b>	<b>7,556,641</b>	<b>0%</b>
<b>9.0 Tertiary institutions Projects</b>				-		-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>10.0 Security Projects</b>				-		-	
Alale Critical Infrastructure Protection Unit (CIPU)	2,000,000			2,000,000		2,000,000	0%
Alale Police Station	2,000,000			2,000,000		2,000,000	0%
Alale Sub-County offices	2,000,000			2,000,000		2,000,000	0%
Kacheliba Antistock Theft Unit (ASTU) and Critical Infrastructure Protection Unit (CIPU)	2,000,000			2,000,000		2,000,000	0%
Kacheliba Police Station	2,000,000			2,000,000		2,000,000	0%
Kacheliba Sub-County offices	2,000,000			2,000,000		2,000,000	0%
<b>Total</b>	<b>12,000,000</b>	<b>-</b>	<b>-</b>	<b>12,000,000</b>	<b>-</b>	<b>12,000,000</b>	<b>0%</b>
<b>11.0 Acquisition of assets</b>				-		-	
	-						
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>12.0 Oversight Committee Expenses (itemize)</b>				-		-	
Committee allowances	720,000			720,000		720,000	0%
Use of goods and services	799,602		-	799,602	-	799,602	0%
	-		-	-	-	-	
<b>Total</b>	<b>1,519,602</b>	<b>-</b>	<b>-</b>	<b>1,519,602</b>	<b>-</b>	<b>1,519,602</b>	<b>0%</b>
<b>13.0 Other payments</b>				-		-	
Kacheliba NG-CDF Online Bursary Application Management System	2,500,000			2,500,000		2,500,000	0%
Kacheliba NG-CDF Strategic Plan	2,200,000	103,449		2,303,449	<b>2,200,000</b>	103,449	96%
				-		-	
<b>Total</b>	<b>4,700,000</b>	<b>103,449</b>	<b>-</b>	<b>4,803,449</b>	<b>2,200,000</b>	<b>2,603,449</b>	<b>46%</b>

**Kacheliba Constituency**  
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14.0 unallocated fund							
Unapproved projects	900,000			900,000		900,000	0%
AIA						-	
PMC savings							
Total	900,000	-	-	900,000	-	900,000	0%
GRAND TOTAL	152,860,174	2,140,921	-	154,601,095	65,654,598	88,946,497	42%

(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-Kacheliba 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.

**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.

*Significant Accounting Policies continued*

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

**6. Cash and Cash Equivalent.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30<sup>th</sup> June 2022 for the period 1<sup>st</sup> July 2023 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.

*Significant Accounting Policies continued*

## **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.

## **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.

**Kacheliba Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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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 005108		33,200,000
		44,000,000
		22,000,000
AIE NO. B 030184		5,000,000
AIE NO. B 030428		12,000,000
AIE NO. B 006370		12,000,000
AIE NO. B 042761		20,000,000
AIE NO. B 047007		22,088,879
AIE NO. B 041083		12,088,879
AIE NO. B 047450	7,000,000	
AIE NO. B 041290	21,000,000	
AIE NO. B 047710	5,000,000	
AIE NO. B 049297	12,000,000	
AIE NO. B 104322	12,000,000	
AIE NO. B 096578	15,000,000	
AIE NO. B 207507	16,000,000	
<b>TOTAL</b>	<b>88,000,000</b>	<b>182,377,758</b>

2. Proceeds From Sale of Assets

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

3. Other Receipts

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

**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023***Notes To the Financial Statements (Continued)***4. Compensation Of Employees**

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,366,435	2,085,660
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	562,092
Employer Contributions Compulsory national social security schemes	-	-
<b>Total</b>	<b>2,366,435</b>	<b>2,647,752</b>

**5. Committee Expenses**

	2022/2023	2021/2022
	Kshs	Kshs
Sitting allowance	2,463,700	2,443,000
Other committee expenses	3,278,600	3,244,960
<b>Total</b>	<b>5,742,300</b>	<b>5,687,960</b>

**6. Use of Goods and services**

	2022/2023	2021/2022
	Kshs	Kshs
Utilities, supplies and services	796,200	738,085
Communication, supplies and services	200,720	9,450
Domestic travel and subsistence	415,911	30,000
Printing, advertising and information supplies & services	202,000	469,397
Rentals of produced assets	120,000	240,000
Training expenses	37,500	0
Hospitality supplies and services	483,910	268,440
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	796,200	738,085
Fuel , oil & lubricants	200,720	9,450
Other operating expenses	-	-
Bank Charges	166,435	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	344,000	192,610
Routine maintenance- other assets	-	-
<b>Total</b>	<b>3,928,640</b>	<b>2,847,741</b>

**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Notes To The Financial Statements (Continued)****7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	3,000,000	102,231,449
Transfers To Secondary Schools (See Attached List)	-	13,027,797
Transfers To Tertiary Institutions (See Attached List)	-	4,000,000
<b>Total</b>	<b>3,000,000</b>	<b>119,259,246</b>

**8. Other Grants and Other transfers**

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	27,369,723	23,253,974
Bursary – tertiary institutions (see attached list)	14,439,000	11,272,219
Bursary – special schools (see attached list)	-	5,000,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	-	9,500,000
Sports projects (see attached list)	-	2,700,000
Environment projects (see attached list)	300,000	4,841,778
Emergency projects (see attached list)	6,308,500	7,551,800
Roads projects (see attached list)	-	-
<b>Total</b>	<b>48,417,223</b>	<b>64,119,771</b>

**9. Acquisition Of Assets**

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

**Kacheliba Constituency**  
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**Annual Report and Financial Statements for The Year Ended June 30, 2023**  
*Notes To the Financial Statements (Continued)*

**10. Oversight Committee Expenses**

	2022-2023	
	Kshs	Kshs
COC Sitting allowances		
COC other Committee expenses		

**11. Other Payments**

	2022-2023	2021/2022
	Kshs	Kshs
Strategic plan	2,200,000	-
ICT Hub	-	-
	2,200,000	-

**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>		
Equity Bank. Kacheliba NG-CDF. Kapenguria Branch. A/C. No. 1070261627353. (Main)	31,096,323	2,640,921
<i>Name of Bank, account No. ( Deposits account)</i>		
<b>Total</b>	<b>31,096,323</b>	<b>2,640,921</b>
<b>12 B: Cash on Hand</b>		
Location 1		
Location 2		
Location 3		
Other Locations ( <i>Specify</i> )		
<b>Total</b>		

**13. Outstanding Imprests**

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

**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023***Notes to the Financial Statement Continued***14. Retention and Gratuity**

<b>14 A. Retention</b>	<i>2022/2023</i>	<i>2021/2022</i>
	<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>	<i>2022/2023</i>	<i>2021/2022</i>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)		-
Gratuity held during the year (B)		562,092
Gratuity paid during the Year (C)		562,092
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C		-

**15. Fund Balance B/F**

	<i>(1<sup>st</sup> July 2023-1)</i>	<i>(1<sup>st</sup> July 2023-2)</i>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	2,640,921	14,825,633
Cash in hand		
Imprest		
Total		
Less		
Payables: - Retention		
Payables – Gratuity		
Fund Balance Brought Forward	2,640,921	14,825,633

**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	2,640,920	6,110,000	8,750,920
Cash in hand			
Accounts Payables			
Receivables			
Others ( <i>specify</i> )			
<b>Total</b>	<b>2,640,920</b>	<b>6,110,000</b>	<b>8,750,920</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		

**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Notes To the Financial Statements (Continued)****19. Other Important Disclosures****19.1: Pending Accounts Payable (See Annex 1)**

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

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

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

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

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,875,251	396,823
Committee expense	122,447	1,000,000
Use of goods and services	249,058	260,893
Amounts due to other Government entities (see attached list)	65,755,542	856,641
Amounts due to other grants and other transfers (see attached list)	14,921,148	23,115
Acquisition of assets	-	-
Oversight Committee Expenses	1,519,602	-
Other Payments ( <i>specify</i> )	2,603,449	103,449
Funds pending approval	900,000	-
<b>Total</b>	<b>88,946,497</b>	<b>2,640,921</b>

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

18.4: PMC account balances (See Annex 5)

	<i>2022/2023</i>	<i>2021/2022</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	2,019,140	12,306,139
<b>Total</b>	<b>2,019,140</b>	<b>12,306,139</b>

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

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	
<b>Construction of buildings</b>					
1.					
2.					
3.					
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
Sub-Total					
<b>Grand Total</b>					

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

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

**Kacheliba Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees		2,875,251	396,823	
Committee expenses		122,447	1,000,000	
Use of goods & services		249,058	260,893	
Amounts due to other Government entities				
<b>Primary Schools Projects</b>				
Kalam primary		800,000	800,000	
Alany Primary School		500,000	-	
Asilong Primary School		1,500,000	-	
Chemananga Primary School		500,000	-	
Chuwuwai Primary School		500,000	-	
Dorcas Primary School		500,000	-	
Elck Chemananga Primary School		2,000,000	-	
Hope Orolwo Primary School		3,000,000	-	
Hope Orolwo Primary School		500,000	-	
Islamic Primary School		1,500,000	-	
Kaamokongwo Primary School		500,000	-	
Kacheliba Girls Primary School		1,500,000	-	
Kacheliba Mixed Primary School		1,500,000	-	
Kalemungorok Primary School		(500,000)	-	
Kamila Primary School		500,000	-	
Kamketo Primary School		500,000	-	
Kangoletiang Primary School		500,000	-	
Kangoletiang Primary School		6,000,000	-	
Kapkoghon Primary School		500,000	-	
Kapsindoi Primary School		2,000,000	-	
Kasaka Primary School		2,449,450	-	
Katulisia Primary School		500,000	-	
Kituti Primary School		3,000,000	-	
Kiwawa Primary School		3,000,000	-	
Kodera Primary School		2,449,450	-	
Kopeyon Primary School		1,500,000	-	
Kour Primary School		1,000,001	-	
Lochoriamonyang Primary School		6,000,000	-	
Lokelelian Primary School		500,000	-	

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

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Lokichar Primary School		6,000,000	-	
Lotitien Primary School		500,000	-	
Moruongar Primary School		500,000	-	
Napis Primary School		3,000,000	-	
Natapar Primary School		500,000	-	
Ngotut Primary School		1,500,000	-	
Sapire Primary school		500,000	-	
Tight Primary School		500,000	-	
Tokos primary school		500,000	-	
<b>Secondary Schools Projects</b>				
Holy Cross Boys Kacheliba Secondary School		1,556,641	56,638	
Kapchok Girls secondary School		6,000,000	-	
Sub-Total		<b>65,755,542</b>	<b>856,638</b>	
Amounts due to other grants and other transfers				
<b>Bursary and Social Security</b>				
Secondary Schools		(15,004,541)	(624,862)	
Tertiary Institutions		6,171,616	-	
Special Needs		5,000,000	-	
<b>Emergency</b>				
Emergency		1,333,890	-	
<b>Sports</b>				
Constituency sports		2,730,981	41,778	
Regional sports		350,000	-	
<b>Environment</b>				
Natmeri primary		600,000	600,000	
Kachawa primary		(300,000)	-	
Moruongar Primary School		613,000	-	
Nakwijit Primary School		613,000	-	
Ngengechwo Primary School		613,000	-	
NG-CDF office		200,203	-	
<b>Security Projects</b>				
Alale Critical Infrastructure Protection Unit (CIPU)		2,000,000	-	
Alale Police Station		2,000,000	-	
Alale Sub-County offices		2,000,000	-	
Kacheliba Antistock Theft Unit (ASTU) and Critical		2,000,000	-	

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

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Infrastructure Protection Unit (CIPU)				
Kacheliba Police Station		2,000,000	-	
Kacheliba Sub-County offices		2,000,000	-	
Sub-Total				
Acquisition of assets				
Oversight Committee Expenses (itemize )				
Committee allowances		720,000	-	
Use of goods and services		799,602	-	
Others ( <i>specify</i> )		-	103,449	
Kacheliba NG-CDF Online Bursary Application Management System		2,500,000	-	
Kacheliba NG-CDF Strategic Plan		103,449	103,449	
Sub-Total				
Funds pending approval		900,000		
Grand Total		88,946,497	2,640,921	

**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End</b>
Land	-	-	-	-
Buildings and structures	24,480,000	-	-	24,480,000
Transport equipment	31,350,443	-	-	31,350,443
Office equipment, furniture and fittings	-	-	-	-
ICT Equipment, Software and Other ICT Assets	526,500	-	-	526,500
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>56,356,933</b>	<b>-</b>	<b>-</b>	<b>56,356,933</b>

**Kacheliba Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

NO	PMC NAME PMC	Account number	Bank	DATE A/C OPENED	Bank Balance 2022/23	Bank Balance 2021/22
1	Kapsindoi pry sch	Equity	1070282936805	2/7/2022	11,000	0
2	elck chemananga	Equity	26013000919	2/7/2022	1,000,000	0
3	KALEMNGOROK PRY SCH	Equity	260130000516	2/7/2022	1,000,000	0
4	Kour pry.school	Accesss	260130000319	25/9/2019	1,656	3,000,456
5	Krimti pry.school	Accesss	260130000241	25/6/2020	12,528	12,528
6	Lobiroi pry.school	Accesss	260130000258	22/10/2019	2,162	2,162
7	Locheriamonyang	Accesss	260130000201	16/10/2019	67,005	67,005
8	Lokomolo pry.school	Accesss	260130000267	8/10/2019	30,262	30,262
9	Lonyangalem pry.school	Accesss	260130000317	23/9/2019	9,494	9,494
10	Lopusienikou pry.school	Equity	1070281197313	23/10/2019	-	-
11	Mayaipogh pry.school	Accesss	260130000153	24/6/2017	4,048	4,048
12	Mistin pry.school	Accesss	260130000055	8/6/2017	7,049	7,049
13	Morwebong pry.school	Accesss	260130000315	11/11/2019	238	238
14	Morwongar pry.school	Equity	1070281116134	28/10/2019	-	-
15	Murkorio pry.school	Accesss	260130000200	22/10/2019	5,306	5,306
16	Muruokor pry.school	Accesss	260130000375	2/7/2021	80	80
17	Nagwoilap pry.school	Accesss	260130000277	18/10/2019	4,587	4,587
18	Nakuse pry.school&ecd	Accesss	260130000377	2/7/2021	67,657	67,657
19	Nakuyen pry.school	Accesss	260130000213	3/7/2020	1,778	1,778
20	Namoru pry school	Accesss	260130000220	21/7/2021	440	440
21	Napitiro pry.school	Accesss	260130000320	26/9/2019	8,002	8,002
22	Nasal sec.school	Accesss	260130000214	3/7/2020	3,323	3,323
23	Nasitit pry.school	Accesss	260130000231	7/7/2020	17,586	1,217,332
24	Ngotut pry.school	Accesss	260130000265	1/10/2019	18,866	511,276
25	Orolwo police station	Accesss	260130000385	13/7/2021	211	211
26	Reretieng pry.school&ecd	Accesss	260130000384	8/7/2021	942	942
27	St.Ann's Girls sec.	Accesss	260130000243	30/6/2020	36,091	36,091
28	Takar Catholic pry.school	Accesss	260130000371	18/2/2021	1,750	1,750
29	Tantapos pry.school	Accesss	260130000276	9/10/2019	657	657
30	Tarakit pry.school	Accesss	260130000269	11/10/2019	3,545	3,545
31	Timale pry.school	Accesss	260130000378	6/7/2021	22,223	22,223
32	Woyakol pry.school	Accesss	260100000160	17/2/2021	30	30
33	Shongen pry.school	Accesss	260130000216	7/7/2020	20,395	20,395
34	Wasat pry.school	Accesss	260130000222	9/7/2020	7,527	301,717
35	Sasak pry.school	Accesss	260130000230	4/7/2020	2,367	2,367
36	Odong pry.school	Accesss	260130000209	2/7/2020	2,797	2,797
37	Nauyapong pry.school	Accesss	260130000215	3/7/2020	3,150	3,150
38	Moinoi pry.school	Accesss	260130000242	30/6/2020	2,767	2,767
39	Korkou day.sec.school	Accesss	260130000394	26/11/2021	2,194	2,194
40	Kituti boarding pry.school	Accesss	260130000210	2/7/2020	3,830	3,830
41	Kawolok pry.school	Accesss	260130000244	3/7/2020	7,847	7,847
42	Kamokongwo pry.school	Accesss	260130000223	3/7/2020	4,429	1,002,779
43	Kamketo pry.school	Accesss	260130000393	24/11/2021	14,857	14,857
44	ELCK Chemananga	Accesss	260130000398	4/3/2022	200	200

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45	ELCK Kaptolomwo	Accesss	260130000217	9/7/2020	61,705	61,705
46	Chesawach pry.school	Accesss	260130000391	17/8/2021	1,740	1,740
47	Cheptokol pry.school	Accesss	260130000211	3/7/2020	15,788	15,788
48	Cheptapa pry.school	Accesss	260130000233	2/7/2020	8,572	8,572
49	Atatar pry.school	Accesss	26013000221	1/7/2020	1,681	1,681
50	Amura pry.school	Accesss	260130000232	10/7/2020	481	238,781
51	Alale Pry.school	Accesss	260130000224	6/7/2020	5,096	5,096
52	Chemuluncho pry.school	Equity	1070281188991	2/7/2020	47,237	47,237
53	Aic chepsepin pry.school	Equity	1070279332652	10/7/2019	360	360
54	Lopet Boys Sec.school	Equity	1070280112897	6/7/2019	2,628	2,628
55	Kapkoghun Pry.school	Equity	1070282901915	2/7/2019	200	200
56	Tighot Pry.school	Equity	1070282348207	24/2/2022	34,234	1,000,000
57	Kasaka Primary school	Equity	1070282374524	3/3/2022	1,527	2,500,000
58	New hope Orolwo pry.school	Equity	1070282388514	8/3/2022	334,237	1,000,000
59	Baraka pry.school	Equity	1070282350144	1/3/2023	4,758	4,758
60	Ngengech Pry.school	Equity	1070282643991	24/05/2022	64,799	1,000,000
61	Kasei sec.school	Kcb	1136131019	1/4/2023	24,443	24,443
62	Atulia Sec.school	Kcb	1275495990	24/05/2023	1,822	1,822
63	Natemeru pry.school	Kcb	1290978484	1/5/2023	7,956	7,956
	<b>Total</b>				<b>2,019,140</b>	<b>12,306,139</b>

## Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><b>Statement of Assets and Liabilities</b> The statement of Assets and Liabilities reflect net financial position of kshs2, 640,921 as at June 2022. However, the correct arithmetic of opening balance of ksh14,825,633 and negative surplus of ksh12,384,712 that gives net financial position is ksh2,440,921 resulting in difference of kash200,000. In the circumstances, accuracy of net financial position of ksh2, 640,921 as at 30<sup>th</sup> June 2022 could not be confirmed.</p>	<ul style="list-style-type: none"> <li>Negative surplus of ksh12,384,712 had been corrected in the financial statement</li> </ul>	Resolved	
	<p><b>Cash and Cash Equivalents</b> The statement of assets and liabilities reflect cash and cash equivalents amount of ksh2, 640,921 as at 30<sup>th</sup> June 2022 held in Equity Bank. 30<sup>th</sup> June 2022 bank reconciliation statement reflects balance amount of ksh24, 542,816 as per bank certificate. However, certificate of bank Balance as at 30<sup>th</sup> June 2022 was not availed for audit review.</p>	Certificate of bank balance availed for audit review.	Resolved	
	<p><b>Cash Balances (Cash in Hand)</b> The statement of assets and liabilities reflect a nil</p>	The NG-CDF Board should be the one	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	cash balance as at 30 <sup>th</sup> June 2022 as disclosed in note 10B to the financial statement. However the Board of survey report and memorandum cashbook/ expenditures breakdown as at 30 <sup>th</sup> June 2022 were not availed for audit review.	to conduct Board of survey report		
	<p><b>Summary of Fixed Assets</b> The fixed assets provided in the financial statement of Ksh56,356,933 differs with the figure provided in the supporting schedules of kshs55746,500 leading to a variance of ksh610,433 not explained.</p> <p>Further, the Funds office has furniture, chairs and tables whose value have not been determined and included in the financial statement.</p> <p>In the circumstances, the completeness and accuracy of fixed assets asset amount of ksh56,356,933 as at June 2022 could not be confirmed.</p>	<p>-Variance of ksh610,443 is an error which had been corrected in the Asset Register.</p> <p>Management will table to CDFC as an agenda so that we can engage value to do valuation for building &amp; structures and tables &amp; chairs.</p>	Not resolved	
	<p><b>Project Management Committee Bank Balances</b> Annex 5 to the financial statements reflect PMC Bank balances of one hundred and three(103) bank accounts totaling ksh12,306,137.36 as at 30 June 2022.</p> <p>However, cash books,</p>	<p>-Project bank certificates of balances and bank reconciliation are available.</p> <p>-Projects that do have balances are carried forward to be implemented in</p>	Not resolved	

Kacheliba Constituency

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>bank reconciliation statements, certificates of bank balances and bank statement for the 103 projects bank accounts were not availed for audit review. Further, during the year, development funds amounting to ksh123, 206,666 were disbursed to one hundred and sixty six (166) projects an indication of disclosure of at least sixty three (63) project management committee bank balances as at 30<sup>th</sup> June 2022.</p> <p>In the circumstances, the completeness and accuracy and existence of project management committee bank balance amounting to ksh12, 306,137 as at June 2022 could not be confirmed.</p>	<p>the next financial year 2022/2023. CDFC Board release funds towards close of 30<sup>th</sup> June and therefore closing balances are bigger amount in pmc accounts</p>		
	<p><b>Staff Gratuity</b> Statement of receipts and payments reflect compensation of employees' amount of ksh2, 085,660 for year ended 30<sup>th</sup> June 2022 which included gratuity expenditure of ksh562, 092 as disclosed in note 4 to the financial statement. However, availed supporting schedules support gratuity expenditure of ksh685, 157 resulting in an explained variance of</p>	<p>Variance of ksh122, 965 was an error that came up from wrong computation of gratuity figure of ksh562, 092. The error was taken care of by expenses of administration vote</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	ksh 122, 965. Further, staff personal files were not availed to confirm the accuracy gratuity computation. In the circumstances, the accuracy and completeness of gratuity expenditure of ksh 562, 092 for the year ended 30 <sup>th</sup> June 2022 could not be confirmed.			
	<p><b>OTHER AUDIT MATTERS</b></p> <p><b>Budget Absorption</b> The summary statement of appropriation for the year ended 30 June 2022 reflects budget expenditure for the year under review of Ksh 197, 203,391 against the actual expenditure of ksh 194, 562,470 resulting to under-absorption of ksh 2, 640,921 or 99% was spend resulting in overall under absorption of ksh 2,640,921 or 1% as indicated in the table. This is an indication of effective disbursement of budget fund.</p>	-Fund management is going to ensure that all programs and activities are well funded and well executed on time once fund are released effectively from NG-CDF BOARD on time.	Not Resolved	
	<p><b>BASIS FOR CONCLUSION</b></p> <p><b>Delay in Disbursement of Funds from the Board</b> The statement of receipts and payment reflect transfers from the Board amount of ksh 197,003,391 during the year ended 30<sup>th</sup> June 2022. However, the amount of ksh 197,</p>	The audit query to be answered by NG-CDF BOARD.	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>003,391 includes ksh 45,288,879 of total receipts budget for the previous financial year. The board is in breach of the law and delay in disbursement funds to the constituency.</p>			
	<p><b>Transfers to Other Government Entities Construction of two Classroom at Kalam primary School</b>                      Included in the statement of receipts and payment ksh119,259,246 for transfers to other government units amounting to is ksh102,231,449 which includes ksh2,000,000 paid vide cheque no 7041 and 7179 for the construction of two classroom from foundation to completion at Kalam primary.</p> <p>The fund management failed to provide expenditure returns to account for the expenditure of ksh2,000,000.</p> <p>Audit inspection on the project in March, 2023 revealed that the construction works had stalled at lential level and the contractor was not on site.</p> <p>In this circumstance, the value for money for the construction of two classroom totaling ksh2,</p>	<p>-Public work budget of building and completing one classroom is Ksh1, 200,000. Fund management is going to add more money to completing two classroom project.</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	000,000 could not be confirmed.			
	<p><b>Irregular Allocation of Funds for Roads Construction Works</b>                      Included in the statement of receipts and payment ksh119,259,246 for transfers to other government units amounting to is ksh102,231,449 which further includes ksh15,440,000 payment of bush clearing, gravelling, dossier work and installation of gabions.</p> <p>However, the following anomalies were noted:                      These projects are under devolved government and therefore their funding by the fund contravene section 24 of NG-CDF Act. Secondly the management failed fail to avail the contract file as a result it was difficult to ascertain the monthly expenditure returns, reports, project proposal, contractual agreement, Inspection and acceptance reports and CDFC monitoring and evaluation report</p>	<p>-These are roads heading to educational projects ie Kamila – Tarakit primary road and Amomor – Komoloi primary school road. In this regard, the projects cannot contravene section 24 of NG-CDF Act.</p> <p>-Contract documents, monthly expenditures returns, inspection reports and monitoring &amp; Evaluation report are available for your perusal.</p>	Not resolved	
	<p><b>Other Grants and Transfers Education Bursary</b>                      Included in other grants and transfers of ksh119,259,246 are bursary</p>	-The management will follow up and continue finding ways on how to	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>payments of ksh39, 526,193 to various secondary schools and tertiary institutions to needy students. Bursary payment of ksh24, 029,650 was reviewed. However, bursary disbursement of ksh13, 442,000 were acknowledged by the respective learning institution while bursary disbursement of ksh10, 587,650 was not acknowledged. In the circumstances, the fund is likely to lose funds through bursary payment that are not supported.</p>	<p>enforce institution send acknowledgment letter and receipt to NG-CDFC office on time. -NG-CDFC will abide with your recommendation.</p>		
	<p><b>Security Projects</b> Included in security payment of kshs9, 500,000 is an amount of Ksh4, 000,000 disbursed to Alale police station which was done through labour based contract and sum of ksh10, 9333,489 was incurred in the project. At the time of audit in March 2023, no were works were going on as the project had stalled at lintel level. No explanation was given for the stalling of the project. In the circumstances, fund has not received value for amount of ksh10, 9333,489 incurred on the project as at 30<sup>th</sup> June 2022.</p>	<p>-Alale police station project fall in the list of ongoing projects as at 30<sup>th</sup> June 2022. -Funds will be allocated in the project proposal for the completion of the project.</p>	Not resolved	
	<p><b>Lack Technical Expertise for Clerk of Works</b></p>			

**Kacheliba Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>During the year under review the Fund earmarked projects values at ksh 141, 152,824 for project implementation. However it was revealed that the Fund had not engaged the service of the technical expert – Clerk of Works to assist in the project implementation contrary to section 45(1) of the NG-CDF Act 2015. In the circumstances, management was in breach of the law and effective, efficient implementation of development in the Constituency cannot be achieved.</p>	<p>-Fund management had complied with the laid law by employing Clerk of Works 2022/2023.</p> <p>2021/2022 NG-CDFC implemented projects based on qualified government staff from public Works department</p>	<p>-Resolved</p>	

  
  
 Name: Krop Merisia  
 Fund Account Manager.