REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BURETI CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2024

Revised 30th June 2024

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

BURETI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30th JUNE 2024

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

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2023. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At the cabinet level, NG-CDFis represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.

b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;

c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;

d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;

e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;

f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realisation of the economic and social rights guaranteed under Article 43 of the Constitution;

g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;

h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;

j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;

k) Create a harmonious relationship between citizens and the national government and its officers in local development;

l) Provide a platform for citizens' participation in service delivery;

m) Build local accountability and transparency in the use of resources; and

n) Provide for a public finance system that promotes an equitable society and, in particular, expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Bureti Constituency's day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Esau Kemboi
2.	National Sub-County Accountant	Joseph Kemei
3.	Chairman NGCDFC	Benard Ngetich
4.	Member NGCDFC	Jackline Chebet

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Bureti Constituency Headquarters

P.O. Box 43, 20210
NGCDF Building/House/Plaza
Next to Bureti Sub-County Headquarters'
Litein, Kericho County, Kenya.

(f) NGCDF Bureti Constituency Contacts

Telephone: (254) 723501835
E-mail: cdfbureti@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Bureti Constituency Bankers

1. Bank
   Equity Bank Limited
   Litein Branch
   P.O BOX 396
   Litein.

   A/C No. 0530261223447

(h) Independent Auditor

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

(i) Principal Legal Adviser

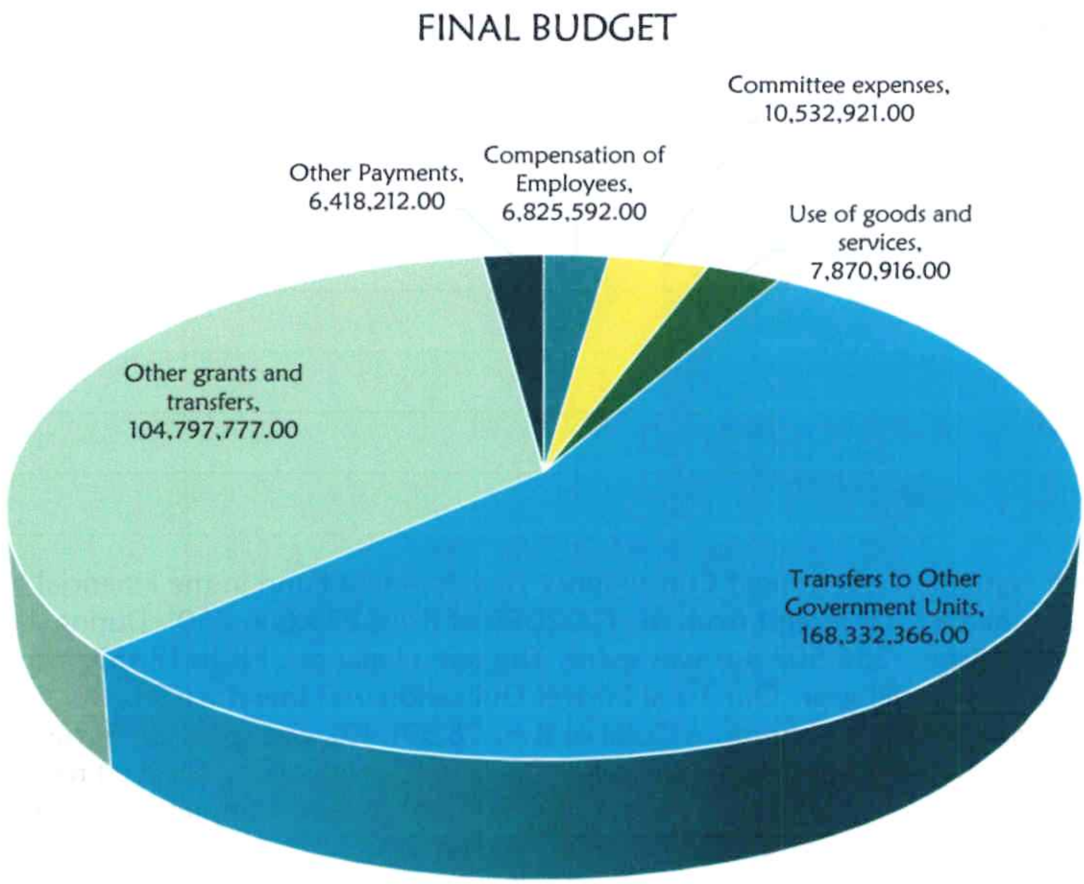
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. NG-CDFC Chairman's Report

The Bureti National Government Constituency Development Fund in the Financial Year 2023/2024 had a total receipt from the NGCDFB of Kshs. 239,666,750. During the Financial year Kshs 236,508,341 was spent. This left a balance of Kshs 17,157,995.60 at the close of financial year. Our Total Budget Utilization was therefore 93.2%, this was due to late disbursement of funds. A Total of Kshs 76,591,497 was spent on Bursaries to needy students in the constituency. Bureti NGCDFC is eagerly waiting for the final disbursement of Funds from the Board so that we can be able to complete projects for Financial Year 2023/2024 on time.

Below is an analysis of final budget against actual expenditure;

Receipt/Expense Item	Final Budget	Total expenditure	Budget Utilisation Difference	% of Utilisation
Compensation of Employees	6,825,592.00	3,491,662.00	3,333,930.00	51.2%
Committee expenses	12,976,965.00	7,761,800.00	5,215,165.00	59.8%
Use of goods and services	5,426,872.00	5,316,768.00	110,104.00	98.0%
Transfers to Other Government Units	168,332,366	117,711,700	50,620,666	69.9%
Other grants and transfers	99,809,527	93,746,411	6,063,116	93.9%
Other Payments	11,418,212	8,480,000.00	2,938,212.00	74.3%
	-			
TOTAL	**304,789,534**	**236,508,341**	**68,281,193**	**77.6%**


FINAL BUDGET
Committee expenses, 10,532,921.00
Other Payments, 6,418,212.00
Compensation of Employees, 6,825,592.00
Use of goods and services, 7,870,916.00
Other grants and transfers, 104,797,777.00
Transfers to Other Government Units, 168,332,366.00

Below are sampled projects photos carried out during the year: -

1.Kiptewit Primary School- Renovation to completion of 18 Classrooms and a Staffroom

2.Kelunet Secondary School- Construction of Dining Hall

3.Bakitira Primary School- Construction of One Classroom

Emerging Issues

During the financial year under review, the following were the key emerging issues that the NGCDFC had to handle: -

- Anti-Government projects resulting to political instability also affecting office operations and projects monitoring
- The amendment of NG-CDF Act 2015 that deleted some sections of fundable projects. For example, sports activities.

Challenges

Major challenges faced by the Fund include:

- Delayed disbursement of funds resulting to untimely project implementation
- The recent objection of Finance Bill that could have had NGCDF get additional Funding. Therefore, we would not be able to address various challenges facing the various across the constituency.

Way Forward

Board need to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the various institutions need to lobby for funding from other agencies including the NGOs to avoid overreliance on the NGCDF Funding.

We look forward to a better Performance in the next financial year 2024/2025

CHALLENGES FACED DURING THE FINANCIAL YEAR

We faced challenges of late disbursement of funds from National Treasury hence we were not able to implement projects on time.

....

Benard Ngetich

CHAIRMAN NGCDF COMMITTEE:

4. Statement of Performance Against Predetermined Objectives forFY2023/24

Introduction

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

The key development objectives of ***Bureti Constituency*** 2022-2027 plan are to:

a) To improve the quality of education across the constituency
b) To improve security and safety of residents in the constituency
c) To sensitise and improve environmental protection and conservation, and promoting sport development in the constituency
d) To improve and facilitate infrastructural development in the constituency
e) To improve and facilitate power connectivity in the schools

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

Sector	Objective	Outcome	Indicator	Performance
Education	-To increase basic and secondary school completion cycles by liaising with schools administration to	Increased enrolment in primary and secondary schools and improved infrastructure in	-Number of usable physical infrastructure build in primary, secondary institutions -Number of bursary	In FY 2023/2024 we managed to construct and completed 14 classrooms in Primary and Renovation to

	identify most vulnerable and deserving bursary cases whilst improving institutions physical infrastructure	institutions	beneficiaries at all levels	completion of 18 Schools. - The NGCDFC disbursed bursaries to 5,688 beneficiaries at different institution
Security	-To support security agencies for better service delivery through infrastructure development	-reduced number of crime rates in the constituency - improved physical security infrastructure i.e. National Police Service and National Government Administration offices (DCC, ACC, Chiefs)	-Number of physical infrastructure in police station, DO's offices, Chiefs' Offices.	In the FY 2023/2024 the NG-CDFC completed security project namely Mabasi Assistant Chiefs Office, and payment of Bureti DCC Residence land.S
Environment	-To enhance sustainable environmental management -To increase forest cover and enhance agro-forestry at household level	- increased awareness on environment protection. - increased number of trees planted in primary and secondary schools -enhanced water harvesting, programs in institutions	-Number of local population with enhanced awareness on environment protection. - Number of trees planted in primary and secondary schools funded by the NG-CDF -Number of water tanks installed in education institutions	- In the financial year 2023/2024 the Bureti NGCDFC did not implement environmental projects in the Constituency.

Sports	-To engage the youths on sport activities to promote talent, peace and unity	- United youths on matters of development. Improved talents in sport activities	-Number of youths engage in sport activities -new number of sports talent within the constituency	In the financial year 2023/2024, the NG-CDFC allocated 2% of its total allocation to sports to promote sports activities in the constituency which aimed at promoting talents, peace and unity. Ninety teams participated in the tournament.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 2023/2024 -we constructed Pit latrine blocks and re-roofing of classrooms in various schools When the schools were facing immediate closure by the county department of health.

5. Governance Statement

Background

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. Further, Section 5 (1) of the regulation states that the members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.
The officer of the board coordinated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.
Section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel
iii. Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG CDF regulations requires that for one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Appointment of NG-CDF Committee

The NGCDF Act 2016 on appointment of NGCDFC member's states; The members of a Constituency Committee provided for Appointment of under section 43of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951
(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.
(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.
(4) The selection panel referred to in paragraph (1) shall consist of—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a
Constituency Committee in accordance with guidelines issued by the Board.
(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act
(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.
(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.
(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.
(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly forApproval.
(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.
1952 Kenya Subsidiary Legislation, 2016

Process
To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicized in churches, public offices notice boards and other public areas in the constituency. 25 applications were received. The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed from Bureti Constituency Office as per section 43 of the NG-CDF Act, 2015.
Five best NG-CDF applicants were selected taking into account age, gender, special interest groups and regional balance in accordance with section43(2)(b)(c) and (d) of the Act

S/N	Name	Category representation	Ward
1.	Benard Ngetich	Male (Adult)	Litein
2.	Kipyegon Langat	Male (Youth)	Kapkatet
3.	Jackline Chebet	Female(youth)	Kisiara
4.	Juliet Cheptoo	Female (Adult)	Cheboin
5.	Sharon Cherotich	PLWD	Chemosot

Nominee of the person representing persons with disability

S/N	Name	Nominating Organization	Nature of physical Impairment	Ward
1.	Sharon Cherotich	National Council Of	Not able to walk	Chemosot

		People Living With Disability		

Nominee of the constituency Office

S/N	Name	Category	occupation	Ward
1	Sharon Cherotich	Female representative	Farmer	Chepkumia
2	Leonard Kirui	Male Representative	Farmer	Kapkangani

Upon further consultation with the panel and the constituency office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

S/N	Name	Gender	Ward
1.	Wesley Koech	Male	Chemosot

The list of the selected and recommended members was forwarded to the NG_CDF Board and were further gazetted through a gazette notice dated 29th November,2022.
The Bureti NG_CDFC Members were gazetted as follows

S/N	*Name*	*Category*	*Statutory Provision Under NG-CDF Act*
1.	Kipyegon Langat	Male Youth Representative	Appointment Pursuant to Section 43 (2)(b)
2.	Benard Kipngeno Ngetich	Male Adult Representative	Appointment Pursuant to Section 43 (2)(b)
3.	Jackline Chebet	Female Youth Representative	Appointment Pursuant to Section 43 (2)(c)
4.	Juliet Cheptoo	Female Adult Representative	Appointment Pursuant to Section 43 (2)(d)
5.	Sharon Cherotich	Representative of Persons Living with Disability	Appointment Pursuant to Section 43 (2)(d)
6.	Kipngeno Kirui Leonard	Nominee of the Constituency Office (Male)	Appointment Pursuant to Section 43 (2)(e)
7.	Sharon Cherotich	Nominee of the Constituency Office (Female)	Appointment Pursuant to Section 43 (2)(e)

The First NG-CDFC in augural meeting was held on 6th December ,2022. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	Benard Kipngeno Ngetich	Chairman	Litein
2	Jackline Chebet	Secretary	Kisiara

NG-CDF Regulations Section 7(6) & (7) requires that the first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board and in establishing sub-committees. Under paragraph 5, constituency Committee shall ensure that there is equitable representation

Two functional Committee were constituted as follows;

1.Bursary Sub-committee

	NAME	POSITION
1.	Leonard Kirui	Chairperson
2.	Jackline Chebet	Secretary
3.	Beatrice Mochama	Sub-county Director
4.	Kipyegon Langat	Member
5.	Leonard Kirui	Member
6	Sospeter Ngeno	Member
7	Dancan Mutai	Member

2.Complaint Handling & Resolution Committee

	NAME	POSITION
1.	Jackline Chebet	Member
2.	Sabina Mule	DCC
3.	Sharon Cherotich	Member
4.	Benard Ngetich	Member

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

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

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.

iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
v. Ensure that all projects receive adequate funding and are completed within three years.
vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
ix. Enter into performance contracting with the Board on an annual basis.

Removal of NGCDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-
(a) lack of integrity;
(b) gross misconduct;
(c) embezzlement of public funds;
(d) bringing the committee into disrepute through unbecoming personal public conduct;
(e) promoting unethical practices;
(0 causing disharmony within the committee;
(g) physical or mental infirmity.
A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In Bureti the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Handing Over

The handing over of the office by the outgoing NG-CDFC Committee to the Incoming committee was carried out smoothly and successfully on 8th December,2022.

Training of NG-CDFC Members

In the financial year 2023/2024 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Bureti

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues

i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2023/2024 members of NGCDFC Bureti adhered to the above ethical issue

Members Remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDFC is entitled to an allowance seven thousand per meeting and all other members an allowance of five thousand per sitting. All NG-CDFC members should adhere to general ethics and code of conduct as stipulated in the NG-CDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Schedule of meetings held during the FY 2023/2024

S. No	NG-CDFC COMMITTEE MEMBERS	17\7\2023 7/7/2023 21/07/2023	22/8/2023	13/9/2023	13/10/2023 23/10/2023	21/11/2023	11/12/2023	31/01/2024	21/02/2024	13/03/2024 5/04/2024 22/04/2024	1/05/2024 29/5/2024
1	Benard Ngeich-Chairman	√	√	√	√	√	√	√	√	√	√
2	Jckline Chebet-Secretary	√	√	√	√	√	√	√	√	√	√
3	Kipyegon Langat	√	√	√	√	√	√	√	√	√	√
4	Juliet Cheptoo	√	√	√	√	√	√	√	√	√	√
5	Sharon Cherotich	√	√	√	√	√	√	√	√	√	√
6	Kipngeno Kirui Leonard	√	√	√	√	√	√	√	√	√	√
7	Sharon Cherotich	√	√	√	√	√	√	√	√	√	√
8	Wesley Koech	√	√	√	√	√	√	√	√	√	√
9	Sabina Mule- DCC	√	√	√	√	√	√	√	√	√	√

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2023/2024 no member of NGCDFC Bureti contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations. Embracing the Enterprise Risk Management system and attesting to monthly, quarterly bi-annually and annually compliance and key risk indicators questions, implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

6 Environmental and Sustainability Reporting

Environmental concerns, with an emphasis on climate change mitigation, are central to the government's agenda. The recent amendment to the NG-CDF Act 2022, which raised the allocation for climate change activities from 2% to 5%, reinforces the commitment to addressing these issues through the NG-CDF Fund. In the 2023-2024 financial year, Bureti NG-CDF allocated Kshs. 3,500,000 for tree planting projects in three institutions within the constituency. These efforts aim to enhance sustainability and contribute to environmental conservation, aligning with the government's broader strategy to combat climate change.

1. Sustainability strategy and profile -

To ensure sustainability of Bureti NG CDF, the committee funds the following key sectors with the following sustainable priorities.

a. **Education and Training:** Bureti NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.

b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.

c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

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

1.Environmental performance

NG-CDFC Bureti conducts one sensitizations forum every year to the constituents to create awareness of the importance of planting trees to conserve the environment. The Sensitizations are done in various schools where the office donate seedlings to school and join hands with students to plant trees in schools.

Sensitization forums are also conducted once every year on crosscutting issues where the constituents particularly the youth are enlightened on the dangers of drug & Alcohol Abuse as well as engaging in other vices.

NG-CDF staff Have at least one day in every financial year to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

Sports tournaments are organised at the ward level where the participants who are mostly the youths are sensitised on the importance of conserving the environment through tree planting, and embracing good farming practices.

2. Employee welfare

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

Bureti NG-CDF 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

4.Community Engagements-

Bureti 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 considers 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.

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

....
Name: Esau Kemboi
Fund Account Manager.

7 Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Bureti Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Bureti Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Bureti 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 Bureti 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-Bureti Constituency financial statements were approved and signed by the Accounting Officer on 20/9 2024.

....	....
Name: Benard Ngetich	Name: Esau Kemboi
Chairman – NGCDF Committee	Fund Account Manager

8 Report of the Independent Auditors on the NGCDF- Bureti Constituency

The Accounting Officer in charge of the NGCDF Bureti 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-Bureti Constituency financial statements were approved and signed by the Accounting Officer on 20/9 2024.

....	....
Name: Benard Ngetich	Name: Esau Kemboi
Chairman – NGCDF Committee	Fund Account Manager

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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Anniversary Towers
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NAIROBI

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

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

A. Report on 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 the 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; and,

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Bureti Constituency set out on pages 1 to 43, which comprise the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Bureti Constituency as at 30 June, 2024 and of its receipts and payments and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Basis for Qualified Opinion

1. Cash and Bank Balances-Stale Cheques

The statement of assets and liabilities reflects cash and cash equivalents totalling Kshs.17,157,995 as further disclosed in Note 11 to the financial statements. A review of the bank reconciliation statement for the month of June, 2024 revealed cheques amounting to Kshs.3,000,000 which have remained unpresented for a period over six (6) months. No explanation was provided by Management for failure to reverse these cheques in the cashbook.

In the circumstances, the accuracy and completeness of the Kshs.3,000,000 in the cash and cash equivalents balance could not be confirmed.

2.Unsupported Project Management Committee Bank Balances

Note 19.4 to the financial statements reflects Project Management Committees (PMC) account balances totalling Kshs.1,807,608 held in sixty-three (63) PMC bank accounts as further disclosed in Annex 5 to the financial statements. However, cash books, certificate of bank balances and bank reconciliations in support of Project Management Committees (PMC) account balances were not provided.

Further, the PMC bank balances have not been transferred to the Constituency account contrary to Section 12 (8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the Project Management Committee shall be returned to the Constituency account.

In the circumstance, the accuracy, completeness and existence of Project Management Committees (PMC) account balances totalling Kshs.1,807,608 could not be confirmed

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects total final receipts budget and actual on comparable basis amounting to Kshs.304,789,534 and Kshs.253,666,336, respectively, resulting to an under-funding totalling Kshs.51,123,198 or approximately seventeen percent (17%) of the budget. Similarly, the statement reflects total actual payments on comparable basis amounting to Kshs.236,508,341 resulting to under-expenditure of Kshs.68,281,193 or twenty two percent (22%) of the budget.

The under-funding and under-performance affected the planned activities and may have impacted negatively on service delivery to the constituents of Bureti Constituency.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit reports of previous year, nine (9) issues were raised under the Report on Financial Statements, Emphasis of Matter, Other Matter, and Report on Lawfulness and

Effectiveness in use of Public Resources. However, Management has not resolved the issues or given any explanation for failure to resolve the issues.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 3000 and 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the oing concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

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

	Note	*2023-2024*	*2022-2023*
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	239,666,750	88,000,000
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	4,750	-
Total Receipts		**239,671,500**	**88,000,000**
Payments			
Compensation of Employees	4	3,491,662	2,604,928
Committee expenses	5	7,761,800	5,201,100
Use of Goods and Services	6	5,316,768	2,937,934
Transfers to Other Government Units	7	117,711,700	14,370,000
Other Grants and Transfers	8	93,746,411	65,989,413
Acquisition of Assets	9	-	-
Other Payments	10	8,480,000	-
Total Payments		**236,508,341**	**91,103,375**
Surplus/(Deficit)		**3,163,159**	**(3,103,375)**

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

The Constituencyfinancial statements were approved by the NGCDFC on 20/9 2024 and signed by:

Chairman NG-CDF Committee Name:BenardNgetich	Fund Accountant Manager Name: Esau Kemboi	National Sub-County Accountant Name: Joseph Kemei ICPAK M/No: 15725

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

	Note	*2023-2024*	*2022-2023*
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	11A	17,157,995	13,994,836
Cash Balances	11B	-	-
Total Cash and Cash Equivalents		**17,157,995**	**13,994,836**
Accounts Receivable			
Outstanding Imprests	12	-	-
Total Financial Assets (A)		**17,157,995**	**13,994,836**
Financial Liabilities			
Accounts Payable			
Retention	13	-	-
Gratuity	14	-	288,132
Total Financial Liabilities (B)		-	-
Net Financial Assets (A-B)		**17,157,995**	**13,706,704**
Represented By			
Fund Balance B/Fwd	15	13,994,836	17,091,211
Prior Year Adjustments	16	-	7,000
Surplus/(Deficit)for The Year		3,163,159	(3,103,375)
Net Financial Position		**17,157,995**	**13,994,836**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituencyfinancial statements were approved by NG CDFC on 20/9 2024 and signed by:

Chairman NG-CDF Committee	Fund Accountant Manager	National Sub-County Accountant
Name:BenardNgetich	Name: Esau Kemboi	Name: Joseph Kemei
		ICPAK M/No:15725

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

	Notes	*2023-2024*	*2022-2023*
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	239,666,750	88,000,000
Other Receipts	3	4,750	-
Total Receipts		**239,671,500**	**88,000,000**
Payments			
Compensation of Employees	4	3,491,662	2,604,928
Committee Expenses	5	7,761,800	5,201,100
Use of Goods and Services	6	5,316,768	2,937,934
Transfers to Other Government Units	7	117,711,700	14,370,000
Other Grants and Transfers	8	93,746,411	65,989,413
Other Payments	10	8,480,000	-
Total Payments		**236,508,341**	**91,103,375**
Total Receipts Less Total Payments		**3,163,159**	**(3,103,375)**
Adjusted For:			
Prior Year Adjustments	16	-	7,000
Decrease/(Increase) in Accounts Receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		**3,163,159**	**(3,096,375)**
Cashflow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net Cash Flows from Investing Activities		-	-
Net Increase in Cash & Cash Equivalents		**3,163,159**	**(3,096,375)**
Cash & Cash Equivalent at Start of the Year	11	**13,994,836**	**17,091,211**
Cash & Cash Equivalent at End of the Year	11	**17,157,995**	**13,994,836**

12 Summary Statement of Appropriation for The Year Ended 30th June 2024

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	207,868,324	13,994,836	82,921,624	304,784,784	253,661,586	51,123,197	
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts		4,750.00		4,750	4,750	-	0.0%
TOTAL RECEIPTS	**207,868,324**	**13,999,586**	**82,921,624**	**304,789,534**	**253,666,336**	**51,123,197**	**83.2%**
PAYMENTS							
Compensation of Employees	4,141,600.00	2,683,992		6,825,592.00	3,491,662.00	3,333,930.00	51.2%
Committee expenses	9,148,000.00	2,240,638	1,588,327	12,976,965.00	7,761,800.00	5,215,165.00	59.8%
Use of goods and services	2,677,000.00	2,749,872.00	-	5,426,872.00	5,316,768.00	110,104.00	98.0%
Transfers to Other Government Units	94,249,198	5,560,000	68,523,168	168,332,366	117,711,700	50,620,666	69.9%
Other grants and transfers	90,152,526	346,872	9,310,129	99,809,527	93,746,411	6,063,116	93.9%

Acquisition of Assets		-	-				0.0%
Other Payments	7,500,000	418,212	3,500,000	11,418,212	8,480,000.00	2,938,212.00	74.3%
				-			
TOTAL	**207,868,324**	**13,999,586**	**82,921,624**	**304,789,534**	**236,508,341**	**68,281,193**	**77.6%**

***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.*

Explanatory Notes.

i. On compensation of Employee budget 51.2% was utilized because employment of staff delayed for quite sometime
ii. On Committee expenses budget 59.8% was utilized due to delayed disbursement of funds.
iii. On transfer to other government units budget 69.9% was utilized this was due to delayed transfer of funds from NGCDF
iv. On Other Payments Budget, 74.3% was utilised due to the ongoing Reallocation of projects process.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	68,269,443
Less undisbursed funds receivable from the Board as at 30th June 2024	51,116,197
	17,153,246
Increase/(decrease)Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	4750
Cash and Cash Equivalents at the end of the 30th June 2024	**17,157,996**

13 Budget Execution By Sectors And Projects For The Year Ended 30th June 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,141,600	2,683,992.00		6,825,592	3,491,662	3,333,930
1.2 Committee allowances	3,658,000.00	679,000.00		4,337,000	2,900,000	1,437,000
1.3 Use of goods and services	2,387,000.00	2,545,784.00		4,932,784	4,932,000	784
Total	10,186,600	5,908,776		16,095,376	11,323,662	4,771,714
2.1 Capacity building	1,690,000.00	590,717.00		2,280,717	2,000,000	280,717
2.2 Committee allowances	3,800,000.00	970,921.00		4,770,921	1,761,800	3,009,121
2.3 Use of goods and services	290,000.00	204,088.00		494,088	384,768	109,320
Total	5,780,000	1,765,726	-	7,545,726	4,146,568	3,399,158
3.0 Constituency Oversight Committee (Itemize as per budget)						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
3.1						
Travel Costs (airlines, bus, railway, mileage allowances, etc.)			20,000	20,000		20,000
Accommodation-Domestic Travel			25,000	25,000		25,000
Domestic Travel and Subsistence & Other Transport Costs			15,000	15,000		15,000
Committee Expenses			1,200,000	1,200,000	1,100,000	100,000
Other Committee expenses			225,000	225,000		225,000
Fuel , Oil & Lubricants			103,327	103,327		103,327
Sub Total			**1,588,327**	**1,588,327**	**1,100,000**	**488,327**
4.0 Emergency						
4.1 Primary Schools	9,552,526	36,190		9,552,526	9,500,000	88,716
4.2 Secondary schools	600,0000			600,000	600,000	
4.3 Tertiary institutions						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
4.4 Security projects						
Sub-total	10,152,526	36,190		10,188,716	10,100,000	88,716
5.0 Bursary and Social Security						
5.1 Primary Schools						
5.2 Secondary Schools	63,500,000			63,500,000	63,571,404	(71,404)
5.3 Tertiary Institutions	13,000,000			13,000,000	13,000,000	-
5.4 Universities						
5.5 Education Support Programmes						
5.6 Social Security		24,843.00		24,843	20,093	4,750
Sub-total	76,500,000	24,843		76,524,843	76,591,497	(66,654)
6.0 Sports						
6.1 Sports			3,221,722	3,221,722	3,154,914	66,808
Sub-total			3,221,722	3,221,722	3,154,914	66,808
7.0 Environment						
7.1Climate Change	3,500,000			3,500,000		3,500,000
Sub-total	3,500,000			3,500,000		3,500,000
8.0 Primary Schools Projects (List all the Projects)						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Siongi Primary School	3,570,333			3,570,333		3,570,333
Kiptobon Primary	2,900,000			2,900,000	2,900,000	-
Butiik Primary School	2,400,000			2,400,000	2,400,000	-
Tembwo Primary School	1,200,000			1,200,000	1,200,000	-
Tembwo Primary School	1,200,000			1,200,000		1,200,000
Chesanga Primary School	2,800,000			2,800,000	2,800,000	-
Kaminjeiwa Primary School	5,900,000			5,900,000		5,900,000
Rungut Primary School	4,258,532			4,258,532	4,258,532	-
Sinendet Primary School	3,000,000			3,000,000	3,000,000	-
Kamanamsim Primary School	3,500,000			3,500,000	3,500,000	-
Kipkosil Primary School	7,485,167			7,485,167		7,485,167
Chemoiben Primary School	3,700,000			3,700,000		3,700,000
Kolonget Primary School	2,100,000			2,100,000	2,100,000	-
Lalwat Primary School	1,970,000			1,970,000	1,970,000	-
St Paul Charera Special School	800,000			800,000		800,000
Roret Primary	3,500,000			3,500,000	3,500,000	-
Tulwet Primary	3,300,000			3,300,000	3,300,000	-
Chesingoro Primary School	7,485,167			7,485,167		7,485,167

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Chemoiwa Primary School	3,500,000			3,500,000		3,500,000
Kapsumet primary	3,400,000			3,400,000	3,400,000	-
Kaborus Primary School	3,400,000			3,400,000	3,400,000	-
Cheptendeniet Primary School	600,000			600,000		600,000
Korongoi Primary School	2,980,000			2,980,000	2,980,000	-
Kapsogut Primary School	2,300,000			2,300,000	2,300,000	-
Ngororga Primary School	3,500,000			3,500,000	3,500,000	-
Kipsamoi Primary School			1,200,000	1,200,000	1,200,000	-
Tegat Primary School			1,200,000	1,200,000	1,200,000	-
Masubeti Primary School			3,600,000	3,600,000	3,600,000	-
Kaldit Primary School			1,200,000	1,200,000	1,200,000	-
Kapkitony Primary School			1,800,000	1,800,000	1,800,000	-
Cheribo Primary School			1,200,000	1,200,000	1,200,000	-
Ngeny Primary School			2,100,000	2,100,000	2,100,000	-
Kiptewit Primary School			5,500,000	5,500,000	5,500,000	-
Cheptendeniet Primary School			2,800,000	2,800,000	2,800,000	-
Kaptele primary school			773,168	773,168	773,168	-
Kimugul Primary School			2,100,000	2,100,000	2,100,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kipkosil Primary School			1,200,000	1,200,000	1,200,000	-
Kaptirbet Primary School			3,200,000	3,200,000	3,200,000	-
Chamamanyik Primary School			1,200,000	1,200,000	1,200,000	-
Bakitira Primary School			1,200,000	1,200,000	1,200,000	-
Botoni Primary School			1,200,000	1,200,000	1,200,000	-
Bargiro Primary School			1,200,000	1,200,000	1,200,000	-
Togoben Primary School			1,200,000	1,200,000	1,200,000	-
Kamachumo Primary School			2,000,000	2,000,000	2,000,000	-
Kitait Primary School		250,000		250,000	250,000	-
Tegat Primary School		470,000		470,000	470,000	
Kipkerieny Primary School		200,000.00		200,000		200,000
Soet Primary School		300,000.00		300,000		300,000
Bakitira Primary School		300,000.00		300,000		300,000
Kutwet primary school		300,000.00		300,000		300,000
Total	80,749,198	1,100,000	35,873,168	117,722,366	83,101,700	34,620,666
9.0 Secondary Schools Projects (List all the Projects)						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kabusienduk Secondary School	4,200,000			4,200,000		4,200,000
Kibolgong Secondary School	2,500,000			2,500,000		2,500,000
Kelunet Secondary School	1,000,000			1,000,000	1,000,000	-
Chebitet Day Secondary School	4,800,000			4,800,000		4,800,000
Getarwet Day Secondary School	1,000,000			1,000,000	1,000,000	-
Kelunet Secondary School			3,000,000	3,000,000	3,000,000	-
Kabusienduk Secondary School			3,200,000	3,200,000	3,200,000	-
Sebetet Day Secondary School			3,200,000	3,200,000	3,200,000	-
Lalagin Secondary School			3,200,000	3,200,000	3,200,000	-
Sosit Day Secondary School			1,200,000	1,200,000	1,200,000	-
Kiptororgo Secondary School			3,200,000	3,200,000	3,200,000	-
Ngainet Secondary School			1,200,000	1,200,000	1,200,000	-
Getarwet Day Secondary School		460,000		460,000	460,000	-
Chelilis Girls High School		2,000,000		2,000,000		2,000,000
Tengecha Girls High School		1,000,000		1,000,000	1,000,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Tengecha Boys High School		1,000,000		1,000,000	1,000,000	-
Cheborge Girls High School			2,000,000	2,000,000		2,000,000
Kapkarin Secondary School			1,500,000	1,500,000	1,500,000	-
Sosit Day Secondary School			500,000	500,000	71,404	428,596
Mombwo Secondary School			1,500,000	1,500,000	1,500,000	-
Getarwet Day Secondary School			950,000	950,000	950,000	-
Sub-total	13,500,000	4,460,000	24,650,000	42,610,000	26,681,404	15,928,596
10.0 Tertiary institutions Projects (List all the Projects)						
Bureti Technical Training Institute- Tebesonik Campus			8,000,000	8,000,000	8,000,000	-
Sub-total			8,000,000	8,000,000	8,000,000	-
11.0 Security Projects						
11.1						
Mabasi Assistant Chiefs Office			1,500,000	1,500,000	1,500,000	-
Mabasi Assitant Chiefs Office			600,000	600,000	600,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cheplanget Police Station		125,839	374,161	500,000		500,000
Itoik Chiefs office			550,000	550,000		550,000
Kabartegan Police Station			850,000	850,000		850,000
Bureti Dcc's Residence			1,800,000	1,800,000	1,800,000	-
Itoik Chief's Office			414,246	414,246		414,246
Ngesumin Chiefs Office		160,000		160,000		160,000
Sub-total		**285,839**	**6,088,407**	**6,374,246**	**3,900,000**	**2,474,246**
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)						
12.2 Construction of CDF office						
12.3 Purchase of furniture and equipment						
12.4 Purchase of computers						
12.5 Purchase of land						
Sub-total						
13.0 Others						
13.1 Strategic Plan		3,620.00	3,500,000	3,503,620	3,480,000	23,620

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Innovation Hub		414,592		414,592		414,592
Electrification Project	5,000,000			5,000,000	5,000,000	-
Kaminjeiwet ICT Centre	1,000,000			1,000,000		1,000,000
Kibugat ICT Centre	1,500,000			1,500,000		1,500,000
Electrification Project	5,000,000			5,000,000	5,000,000	-
Funds pending approval**						
Total	7,500,000	418,212	3,500,000	11,418,212	8,480,000	2,938,212
Sub-total	7,500,000	418,212	3,500,000	11,418,212	8,480,000	2,938,212
Total	207,868,324	13,999,586	82,921,624.	304,789,534	236,508,341	68,281,193

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

14 Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

- Receivables that include imprests
- Payables that include gratuity and retentions.

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

2. Reporting Entity

The financial statements are for the NGCDF-Bureti 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 Governmentand all values are rounded to the nearest Kenya Shilling.

4. Recognition of Receipts

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

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

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

b. **Proceeds from the Sale of Assets**

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

c. Other receipts

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

d. 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.

e. External Assistance

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

5. Recognition of payments

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

a) Compensation of Employees

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

b) Use of Goods and Services

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

c) Acquisition of Fixed Assets

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

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

6. In-kind contributions

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

7. Cash and Cash Equivalents

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

8. Accounts Receivable

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

9. Accounts Payable

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

10. Pending Bills

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

11. Unutilized Fund

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

12. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on26th June 2023 for the period 1st July 2023to 30th June 2024 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

13. Comparative Figures

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

14. Subsequent Events

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

15. Prior Period Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented.During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

16. Related Party Transactions

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

15 Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	*2023-2024*	*2022-2023*
NGCDF Board	Kshs	Kshs
AIE NO. B185024		7,000,000
AIE NO. B185570		15,000,000
AIE NO. B185318		6,000,000
AIE NO. B185855		5,000,000
AIE NO. B206307		12,000,000
AIE NO. B205696		12,000,000
AIE NO. B205535		16,000,000
AIE NO.B207775		15,000,000
AIE NO. B 005108	12,088,879	
AIE NO. B 030184	28,932,745	
AIE NO. B 030428	19,000,000	
AIE NO. B 006370	12,800,000	
AIE NO. B 042761	30,000,000	
AIE NO. B 047007	20,000,000	
AIE NO. B 041083	30,000,000	
AIE NO. B 047450	8,000,000	
AIE NO. B 041290	2,100,000	
AIE NO. B 047710	16,745,126	
AIE NO. B 049297	20,000,000	
AIE NO. B 104322	40,000,000	
TOTAL	**239,666,750**	**88,000,0000**

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2023-2024	*2022-2023*
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere *(specify)*	4,750	-
Total	4,750	-

4. Compensation Of Employees

	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,491,662	2,604,928
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	-	-
Employer Contributions Compulsory Housing levy	-	-
Employer contributions to National Industrial Training Authority	-	-
Total	3,491,662	2,604,928

5. Committee Expenses

	2023-2024	2022-2023
	Kshs	Kshs
A.NG CDFC		
Sitting allowance	3,925,300	780,000
Other committee expenses	3,836,500	4,421,100
Sub total	**7,761,800**	**5,201,100**
B. Constituency Oversight Committee		
Allowances	0	0
Other committee expenses	0	0
Sub total	**0**	**0**
Total(A+B)	**7,761,800**	**5,201,100**

6. Use of Goods and services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	216,348	89,134
Communication, supplies and services	0	0
Domestic travel and subsistence	33,600	703,800
Printing, advertising and information supplies & services	0	209,000
Rentals of produced assets	0	0
Training expenses	2,237,200	1,336,000
Hospitality supplies and services	1,256,400	600,000
Insurance costs	0	0
Specialized materials and services	0	0
Office and general supplies and services	495,900	0
Fuel, oil & lubricants	500,000	0
Bank Charges	9,036	0
Other operating expenses	0	0
Routine maintenance – vehicles and other transport equipment	568,284	0
Routine maintenance – other assets	0	0
Other operating expenses	0	0
Total	**5,316,768**	**2,937,934**

7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers To Primary Schools	83,101,700	11,670,000
Transfers To Secondary Schools	26,610,000	2,700,000
Transfers To Tertiary Institutions	8,000,000	-
Total	**117,711,700**	**14,370,000**

8. Other Grants and Other transfers

	2023-2024	2022-2023
	Kshs	Kshs
Bursary – secondary schools	62,817,797	46,766,867
Bursary – tertiary institutions	13,773,700	8,072,500
Bursary – special schools	0	732,000
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	-	-
Security projects	3,900,000	0
Sports projects	3,154,914	2,818,046
Environment projects	0	0
Emergency projects	10,100,000	7,600,000
Roads projects	0	0
		-
Total	93,746,411	65,989,413

9. Acquisition Of Assets

	2023-2024	2022-2023
	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	-	-
Total	-	-

10. Other Payments

	2023-2024	2022-2023
	Kshs	Kshs
Strategic plan	3,480,000	-
ICT Hub	0	-
electricity	5,000,000	-
Total	8,480,000.	0

11. Cash and Cash Equivalents

Name of Bank and Account No.	2023-2024	2022-2023
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
Equity bank- Litein-0530261223447	17,157,995	13,994,836
Operation account pending closure (Indicate name & account no.)	0	0
Name of Bank, account No. (Deposit)	0	0
Total	**17,157,995**	**13,994,836**
11B: Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (*Specify)*	-	-
Total	**17,157,995**	**13,994,836**
[Provide Cash Count Certificates for Each]		

12. Outstanding Imprests

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		Kshs	*Kshs*	*Kshs*
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

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

13. Retention

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

Retentions aging analysis.

	Insert Current FY	% of the total Retention	Insert Comparative FY	% of the total Retention
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

14 .Gratuity

	2023-2024	*2022-2023*
	KShs	KShs
Gratuity as at 1st July (A)	893,216	288,132
Gratuity held during the year (B)	-	0
Gratuity paid during the Year (C)	-	0
Closing Gratuity as at 30th June D= A+B-C	**893,216**	**288,132**

Gratuity aging analysis

	Insert Current FY	% of the total Gratuity	Insert Comparative FY	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

15. Fund Balance B/F

	(1st July 2023-1)	(1st July 2022-2)
	Kshs	Kshs
Bank accounts	13,994,836	17,091,211
Cash in hand	0	0
Imprest	0	0
Total	**13,994,836**	**17,091,211**
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	**13,994,836**	**17,091,211**

[Provide short appropriate explanations as necessary]

16. Prior Year Adjustments

Description of the error	Balance b/f as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** BF Kshs
Bank account Balances	13,994,836	4,750	13,999,586
Cash in hand	0	0	-
Imprests	0	0	-
Retentions	0	0	-
Gratuity	0	0	-
Others (*specify*)	0	0	-
Total	**13,994,836**	**4,750**	**13,999,586**

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

17.Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	*2022-2023*
	KShs	KShs
Outstanding Imprest as at 1st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
Closing accounts in account receivables D= A+B-C	0	0
Net changes in accounts Receivables D - A	0	0

18.Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	*2022-2023*
	KShs	KShs
Gratuities and Retentions as at 1st July (A)	0	0
Gratuities and Retentions held during the year (B)	0	0
Gratuities and Retentions paid during the Year (C)	0	0
Closing account payables D= A+B-C	0	0
Net changes in accounts payables D-A	0	0

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2023-2024	2022-2023
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
Total	0	0

Aging Analysis for Pending Accounts Payables

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	0		0	

19.2: Pending Staff Payables (See Annex 2)

	2023-2024	2022-2023
	Kshs	Kshs
NGCDFC Staff	0	0
Others (*specify*)	0	0
Total	0	0

Aging Analysis for staff Payables

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.3: Unutilized Fund (See Annex 3)

	2023-2024	2022-2023
	Kshs	Kshs
Compensation of employees	3,333,930	2,683,992
Committee expense	2,771,121	2,849,921
Use of goods and services	2,554,148	3,728,916
Amounts due to other Government entities	50,620,666	73,583,168
Amounts due to other grants and other transfers	6,051,366	14,063,463
Acquisition of assets		-
Oversight Committee Expenses		
Other Payments	2,938,212	-
Funds pending approval		-
Total	**68,269,443**	**96,909,460**

19.4: PMC account balances (See Annex 5)

	2023-2024	2022-2023
	Kshs	Kshs
PMC account balances	1,807,608	619,224
Total	**1,807,608**	**619,224**

19.5 Related Party Transactions

	2023-2024	2022-2023
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	3,925,300	780,000
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	239,666,750	88,000,000
Total	**243,592,050**	**88,780,000**

16.Annexes

Annexes: 1Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2023	Comments
NG-CDFC Staff				
1.Kipkoech Rotich	Accounts Assistant	9/03/2023	115,976	
2.Emmanuel Kurgat	Clerk Of Works	9/03/2023	115,976	
3.Gilbert Kipngetich Bett	Communication Technology Assistant	9/03/2023	94,488	
4.Lydia Cherotich	Administrative Assistant	9/03/2023	94,488	
5.Kipngeno Hillary	Records Management	9/03/2023	94,488	
6.Sharon Chepkorir	Office Assistant	9/03/2023	82,648	
7.Kiprono Cheruiyot	Driver	9/03/2023	82,648	
8.Mercy Chepkoech	Office Assistant	9/03/2023	82,648	
9.Justice Kipngeno Mutai	Support Staff	9/03/2023	64,928	
10.Laban Kiprotich Cheruiyot	Support Staff	9/03/2023	64,928	
Sub Total			**893,216**	
Grand Total			**893,216**	

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees	Payment of salary and gratuity	3,333,930	2,683,992	Accrued gratuity
Use of goods & services	Payment of recurrent expenditure	5,215,165	6,578,837	Recurrent expenses
Committee Expenses	Payment of allowance	110,104		Amount owing from board
Amounts due to other Government entities	Grant to primary and secondary school	50,620,666	74,083,168	Amount owing from board
Sub-Total		**59,279,865**	**83,345,997**	
Amounts due to other grants and other transfers	Grant to emergency,bursary,environment and security	6,063,116	9,645,251	Amount owing from board
Sub-Total		**6,063,116**	**9,645,251**	
Acquisition of assets				
Others (*specify*)	Other payments	2,938,212	3,918,212	Amount owing from board
Sub-Total		**2,938,212**	**3,918,212**	
Funds pending approval				
Sub-total				
Grand Total		**68,281,193**	**96,909,460**	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost 2023-2024 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2022-2023
Land				
Buildings and structures	10,000,000			10,000,000
Transport equipment	4,623,000			4,623,000
Office equipment, furniture and fittings	2,000,000			2,000,000
ICT Equipment, Software and Other ICT Assets	81,500			81,500
Other Machinery and Equipment				
Intangible assets				
Total	**16,704,500**			**16,704,500**

Annex 5 –PMC Bank Balances as at 30th June 2024

PMC	Bank	Account number	Bank Balance 2023-2024	Bank Balance Comparative FY
Kamachumo Primary School	Equity	0530279003048	795.00	-
Bakitira Primary School	Equity	0530279718364	119664.00	-
Chamamanyik Primary School	Equity	0530280398322	64,807.00	-
Botoni Primary School	Equity	0530279523886	78,387.00	-
Kipkosil Primary School	Equity	0530162157390	122.5	-
Kimugul Primary School	Equity	0530277645787	2600.00	-
Kaptele Primary School	Equity	0530294393759	16,665.35	-
Cheribo Primary School	Equity	0530193992274	848.83	-
Kaldit Primary School	Equity	0530271405163	4,886.50	-
Tegat Primary School	Equity	0530279318407	136,883.30	-
Kipsamoi Primary School	Equity	0530198612971	825.8	-
Tegat Primary School	Equity	0530279318407	136,883.30	-
Ngeny Primary School	Equity	0530193686220	896.26	-
Kapkitony Primary School	Equity	0530279735983	32,282.00	-
Masubeti Primary School	Equity	0530266641167	90,882.70	-
Cheptendeniet Primary School	Equity	0530166049212	46,662.20	-

PMC	Bank	Account number	Bank Balance 2023-2024	Bank Balance Comparative FY
Kiptewit Primary School	Equity	0530279665722	965.4	-
Lalwat Primary School	Equity	0530280273702	8,735.00	-
Tulwet Primary School	Equity	0530279939536	350.00	-
Sinendet Primary School	Equity	0530268801916	180.00	-
Rungut Primary School	Equity	0530280469427	17,281.00	-
Ngororga Primary School	Equity	0530197596388	2,381.30	-
Korongoi Primary School	Equity	0530168695024	530.00	-
Kolonget Primary School	Equity	0530277173251	0.00	-
Kiptobon Primary School	Equity	0530277635006	1,865.00	-
Kapsumet Primary School	Equity	0530271572514	2,360.00	-
Kapsogut Primary School	Equity	0530196910493	980.55	-
Kamanamsim Primary School	Equity	0530192550030	779.31	-
Kaborus Primary School	Equity	0530294393795	120.00	-
Tembwo Primary School	Equity	0530165579291	1540.00	-
Roret Primary School	Equity	0530275028234	7,000.00	-
Butiik Primary School	Equity	0530277635845	43.28	-
Ngainet Sec School	Equity	0530280546571	1620.00	-
Sosit Day Sec School	Equity	0530266417930	242,353.00	-

PMC	Bank	Account number	Bank Balance 2023-2024	Bank Balance Comparative FY
Kelunet Sec School	Equity	0530270537427	165,523.50	-
Mombwo Sec School	Equity	0530282262630	103,630.00	-
Kiptororgo Sec School	Equity	0530281219675	1,150.00	-
Lalagin Sec School	Equity	0530277701870	323,022.00	-
Tengecha Girls High School	Equity	0530281035861	4,375.00	-
Kelunet Sec School	Equity	0530270537427	165,523.50	-
Getarwet Day Sec School	Equity	0530166550018	21,208.00	-
Cheplanget Junior Primary School.	Equity	0530279027422	-	1,070.00
Koitabai Primary School	Equity	0530270015280	-	510.00
Kipsamoi Primary School	Equity	0530198612971	-	825.8
Koiyet Primary School	Equity	0530193798429	-	28.8
Kimoro Primary School	Equity	0530162134159	-	2,872.20
Kapchelach Primary School-Cdf	Equity	0530277685602	-	2,990.00
Kapcheboi Primary School-Cdf	Equity	0530277676355	-	900
Itoik Primary School	Equity	0530279528923	-	600,355.00
Kabitungu Pri Sch	Equity	0530279681351	-	2,200.00
Kamencho Pri Sch	Equity	0530166443683	-	-
Sugutek Primary School	Equity	0530282557727	-	1,195.00

PMC	Bank	Account number	Bank Balance 2023-2024	Bank Balance Comparative FY
Kabisaga Prmary School	Equity	0530267016194	-	1,365.00
Rungut Secondary School	Equity	0530164725107	-	322.65
Chebwagan Boys High School	Equity	0530283536714	-	880.00
Kiptewit Primary School	Equity	0530279665722	-	1,082.90
Litein Police Station	Equity	0530280363848	-	1,299.00
Kapkusum Primary School	Equity	0530279650166	-	609.53
Kapsogeruk Primary School	Equity	0530192551347	-	2,289.80
Kibugat Primary School	Equity	0530262218662	-	5075
Tegat Primary School-Cdf	Equity	0530279318407	-	0
Kiptenden Primary School	Equity	0530279537969	-	1,100.00
Cheborge Primary School	Equity	0530283299835	-	400.00
Total			1,807,608	627,370.68

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)*
	Unbalanced Statement of Assets And Liabilities	The statement of Assets and Liabilities reflects a balance of kshs 13,706,704 in respect of net financial asssets which is a variance ith the net financial position of kshs 13,994,836 resulting to unexplained variance of kshs 288,132 . In the circumstances the accuracy and competences of balances in the statement of assets and liabilities could not be confirmed.	Not Resolved	30th June 2025
	Cash And Cash Equivalents	The statement of Assets and Liabilities reflects cash and cash equivalent balance of kshs 13,994,836 as disclosed in Note 12A to the financial statements. Review of bank reconciliation statement for the month of June, 2023 revealed payment in cash book not in bank statement amounting to kshs 22,732.641. however, cheques totaling kshs 1,875,000 relate to stale cheques which had not been reversed in the cash book as at 30 June 2023. In addition, the stale cheques include amounts of kshs 800,000 and kshs 1,000,000 disbursed to secondary schools and primary schools respectively for the projects that were never implemented. No explanation was provided by management for the failure to implement the projects.		30th June 2025

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)*
	Inaccuracies of The Opening Balances	The statement of receipts and payments reflects acquisition of assets comparative amount of kshs 255,000 while the prior audited financial statements reflect a nil amount of kshs. 255,000 could not be confirmed	Not Resolved	30th June 2025
	Unsupported Training Expenses	The statement of receipts and payments reflects use of goods and services balance of kshs 2,937,934 which includes an amount of kshs 1,336,000 in respect of training expenses. However review of supporting expenditure schedules revealed that an amount of kshs 547,200 was not supported with invitation letters, training, itinerary, signed attendance registers , payment schedules and reports.	Not Resolved	30th June 2025
	Lack of Ownership Documents-Sugutek primary	The statement of receipts and payments and as disclosed inNote7 to financial statements reflects transfer to the government entities balance of kshs 14,370,000 which includes amounts of kshs 11,670,000 in respect of transfrers to primary schools. Review of supporting documents and payment vouchers provided for audit, revealed that an amount of kshs 1,150,000 was paid for acquisition of a parcel of land measuring 0.7 acres via a sale agreement signed dated 9 May 2022. However, audit verification on March 2023 revealed that despite transfer of full amount to the owner the school had not acquired ownership documents for the purchased land and the school is not registered as a primary school with the Ministry of Education.	Not Resolved	30th June 2025

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)*
	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 Resources and Report on effectiveness of internal controls, risk management and governance.However, Management had not resolved the issues nor disclosed all the prior year matters as provided by the Public Sector Accounting Standards Board reporting template. As required by Article 229(6) of the constitution, based on the audit procedures performed, except for the matters described in the basis for conclusion on lawfulness and effectiveness in the use of public resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.	Not Resolved	30th June 2025
	Abandoned projects	The balance includes an amount of kshs 600,000 each transferred to kiptenden and kapkusum primary school for construction of 6 dooor latrines. However, audit verification in March 2024 revealed that the project had not been completed and the contractor was not in site.	Not Resolved	30th June 2025
	Failure to remit statutory deductions	Review of records from Kenya revenue authority indicates that the NGCDF Bureti failed to deduct and remit taxes amounting to kshs 366,105 as reported in KRA Taxpayer debt report	Not Resolved	30th June 2025

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)*
		contrary to section 37(1) of Income Tax Act Cap 470 which requires employer paying emoluments to deduct therefrom, account for tax thereon, to such extent and in such manner as maybe prescribed. In the circumstances, the management was in breach of the law.		

....
Name
Fund Account Manager.