REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MWATATE CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2024

Maendeleo kwa wote

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

MWATATE 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)

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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-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Mwatate 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 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Peter M Mwaighonda
2.	National Sub-County Accountant	Michael K Wambugu
3.	Chairperson NGCDFC	Lydia Mwang'ombe
4.	Member NGCDFC	Julius Wambua Kimori

(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 Mwatate 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 Mwatate Constituency Headquarters

P.O. Box 75-80305
Mwatate Multi-purpose hall
Voi-Taveta Highway
Mwatate, KENYA.

(f) NGCDF Mwatate Constituency Contacts

Telephone: (254)795900353
E-mail: cdfmwatate@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF Mwatate Constituency Bankers

1. Kenya commercial bank
   Wundanyi-Branch
   P.O. Box 1067-80304
   Wundanyi, Taita Taveta
   1107927838(operational account)

2. Kenya commercial bank
   Wundanyi-Branch
   P.O. Box 1067-80304
   Wundanyi, Taita Taveta
   1325542369(deposit account)

(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

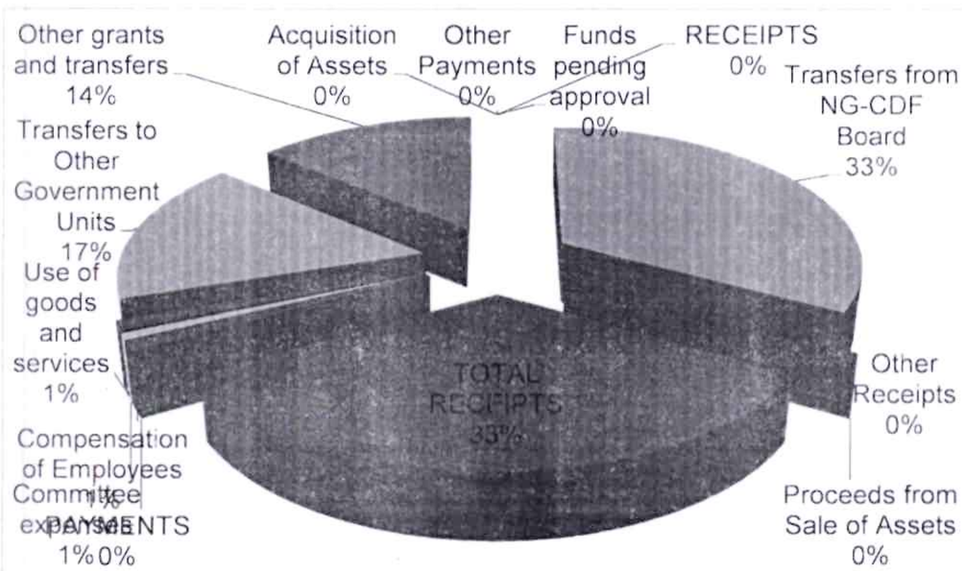
3. NG-CDFC Chairperson 's Report

Lydia Mwang'ombe- chairperson

It gives me immense pleasure to, on behalf of Mwatate NGCDF Committee and people of Mwatate Constituency giving me the opportunity to serve them in this transformative, people driven and nation building position to present the Mwatate Constituency unaudited accounts and collaborative annual report for the year ended 3oth June 2024.

I take this opportunity on behalf of NGCDF Mwatate to highlight on the achievements, challenges and my opinion on the way forward on better utilization of the fund and delivery of service to my Constituents.

Below is a graphical representation of the budgeted funds versus actual expenditure for the financial year 2023/2024.

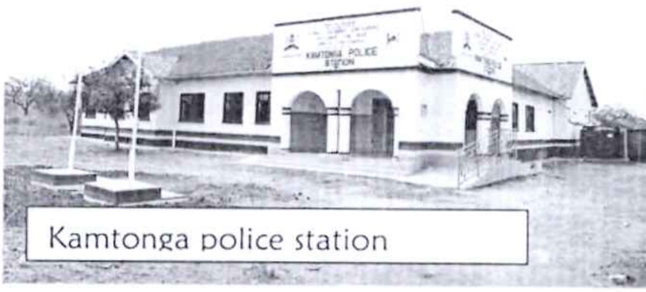


KEY ACHIEVEMENTS

NGCDF Mwatate have been able to disburse funds to projects accounts immediately after receiving funding from the Board and this has greatly helped to fasten projects implementation thus increasing service delivery to the Constituents.

During the year, the Committee disbursed bursary funds to needy students in secondary and tertiary institutions to help them continue with their studies. A total of 6000 students benefitted from the bursary fund. This funding come in handy by ensuring retention of students in school as well as increasing the transition rate and reducing burden of education on low income learners.

The major infrastructural development projects funded included: Dining hall & kitchen, renovation of classrooms, ablution blocks, purchase of lockers and desks, purchase of school bus and construction of security projects. Major projects undertaken during the year under review includes: Mwambota primary school, St. Joseph secondary school, Mwatate day secondary school bus and Kamtonga police station.



Kamtonga police station

St. Josephs secondary school-construction of dining hall and modern kitchen


Kighombo primary school-renovation and re roofing of 4no.classrooms

Mwatate sec school-purchase of 55 seater bus

EMERGING ISSUES

- Amendment of NGCDF Act, 2015 (Amendment 2023) that led to removal of COC, Sports activities, introduction of climate change mitigation activities.
- Mpox pandemic

CHALLENGES

- Delay in disbursement of funds from the NGCDF Board
- Long delays for reallocation approvals for reallocation of projects
- Insufficient funding on M & E and capacity building has been a hindering factor towards successful implementation of projects

WAYFORWARD

- NGCDF Board to fast track disbursement of funds
- NGCDF Board to fast track approvals for reallocation of projects
- Allocation of M & E and capacity building vote to be increased from 3% to 5%.

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Name: Lydia Mwang'ombe
Chairperson NGCDF Committee

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

Introduction

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

The key development objectives of the **NGCDF Mwatate Constituency** 2023-2024 plan are to:

i. To capture all the stakeholders interests in the constituency
ii. To mobilise constituency resources for maximisation of available opportunities
iii. To improve the institutional capacity and visibility of the Ngcdf committee in its pursuit to deliver its mandate

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2023/24 - we increased number of classrooms, dormitories, laboratories in the following schools/institutions ✓ 1 no.dining hall at St joseph secondary school ✓ 4no.classrooms at Kighombo primary school ✓ 1 no science laboratory each at Mwatate secondary school and Mwafuga high school - Bursary beneficiaries upto 6000 at all levels of learning were as per the attached schedules
Security	Enhance service delivery and security measures	Increase access to government services, community engagements and security in the community	number of usable physical infrastructure	in FY 2023/24 we completed the construction of Kamtonga police station
Environment	Combat the climatic change	Environmental activities	number of climatic change activities	in FY 2023/24 budgeted for climatic change mitigation activity of septic tanks installed with biodigestors

Sports	developing skills , identifying &nurturing talent, encouraging physical fitness	Address drug abuse in the community and naturing talents	Tournaments and no of sport kits issued	The unspent sport budget of FY 2022/2023 was utilised by purchasing of sport kits and other balance for conducting constituency tournament
Emergency	To fund unforeseen occurrences in the constituency	Efficient and effective use of emergency fund		During the FY 2023/2024 we funded projects after ✓ blow out of roofs at Kighombo primary school, ✓ collapsing and condemned Mailikumi Primary school toilet ✓ collapsing and condemned Mgeno primary schools toilets ✓ collapsing of toilet at Mwasere girls high school
Others – strategic plan	Provide direction in implementati on of Ngcdf funded projects	Efficient and effective implementati on of projects	Strategic plan developed	During the FY 2023/2024 developed Ngcdf Mwatate strategic plan 2023-2027

5. Governance Statement

National Government Constituency Development Fund Committee.

Each Constituency Committee shall comprise of:

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

The seven persons referred to in Sub-section (2) (b), (c), (d) and (e) shall be selected in such a manner and shall have such qualifications as the Board may, by Regulation, prescribe. The names of the persons selected under Sub-section (3) shall be submitted by the Board to the National assembly for approval before appointment and gazettement by the Board. The Fund Account Managers are required to initiate the process of appointment of the members of the NGCDF Committee in their respective Constituencies by first constituting selection panel pursuant to the provisions of the Regulations 5 (4) of the Regulations to the Act. The selection panel shall stand dissolved upon the appointment of the Members of a Constituency committee.

Key notes on NGCDF Committees

- The first meeting of the NGCDFC shall be convened by the National Government official or in his absence by the FAM within sixty days of a new parliamentary term or by-election or on such day as may be designated the Cabinet secretary (Section 43 (6))
- The quorum of the Committee shall be one half of the total membership (Section 43 (7))
- The term of office of the committee shall be two years renewable but shall expire upon appointment of a new committee in a manner provided for in the Act (Section 43 (8))
- Whenever a vacancy occurs in the constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of thirty days Section 43 (10)
- The Committee shall meet at least six (6) times in a year but shall not hold more than twenty-four (24) meetings in the same financial year section 43 (11)
- A member of the Constituency Committee may be removed from office on any one or more of the following grounds

A member of the Constituency Committee may be removed from office on any one or more of the following grounds

- Lack of integrity;
- Gross misconduct;
- Embezzlement of public funds;
- Bringing the committee into disrepute through unbecoming personal public conduct;
- Promoting unethical practices; Causing disharmony within the committee;
- Physical or mental infirmity. Section 43 (13)

Decision to remove a member shall be 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

- A vacancy arising as a result of the removal of a member shall be filled in the manner set out in section 43 (1) and the minutes of the meeting shall indicate the fact of the removal or appointment of a member
- Dissolution of the Committee as provided for in section 44 of the Act
- During its first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions

A person shall qualify to be appointed to NGCDF Committee if that person:

- is a citizen of Kenya; is ordinarily a resident and a voter within the Constituency; is able to read and write and to communicate in English and Kiswahili; meets the requirements of Chapter Six of the Constitution; is available to participate in the activities of a Constituency Committee
- A person who has previously served in a Constituency Committees constituted under the Fund or served in a leadership position in the Community may be appointed to NGCDFC

Functions of the NGCDF Committee

- Build the capacity of project management committees and sensitize the Community on the operations of the Fund;
- Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act; 13
- Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- In approving a project and before submitting the to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution
- Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects

Appointment of the Chairperson and Secretary

- A Constituency Committee shall elect the chairperson and secretary of a Constituency Committee during its first meeting and shall notify the Board of the appointments
- A person shall qualify to be elected as Chairperson or Secretary to a Constituency Committee if that person is the holder of a Kenya Certificate of Secondary Education

Chairperson

- Carry out consultations with the Officer of the Board seconded to the Constituency and other relevant stakeholders;
- Ensure members and staff of a Constituency Committee are properly trained;
- Encourage a culture of transparency and teamwork among the committee members;
- Be a signatory to the Constituency Fund Account; and
- Co-ordinate the compilation of project status reports every six months

The Secretary shall

- Be responsible for
- Carrying into effect the decisions of a Constituency Committee;
    - The day to day administration and management of the affairs of a Constituency Committee;
    - Supervision of the staff of the Constituency Committee;
    - In consultation with the Chairperson and the officer of the Board seconded to the Constituency, convene Constituency Committee meetings;
- Circulate notices and the agenda of meetings;
- Accurately record the proceedings of every Constituency Committee meeting and after confirmation and execution of the minutes transmit the minutes to the officer of the Board seconded to the Constituency for safe custody.
- Provide guidance to a Constituency Committee on management of meetings;
- Ensure minutes are readily available during subsequent meetings; and
- Ensure and facilitate effective communication amongst the members of a Constituency committee

Members of Mwatate NGCDF Committee are;

NO.	NAME	CATEGORY	WARD	NO. OF MEETINGS HELD	NO. OF SUB-COMMITTEE MEETINGS HELD
1.	Hannah .S. Mwakughu	Female Adult	Rong'e	16	-
2.	Julius .K. Wambua	Male Youth	Mwatate	16	4
3.	Elistone Mwakio	Male Adult	Chawia	16	4
4.	Laurent .M. Maganga	PLWD	Mwatate	16	4
5.	Anthony Tole	Male Constituency Nominee	Wusi-Kishamba	16	4
6.	Hilda .Z. Majani	Female Constituency Nominee	Bura	16	4
7.	Lydiah .M. Mwang'ombe	Female Youth	Chawia	16	-
8.	Ruphence .M. Kimwaga	Co-opted by NGCDFB	Wusi-Kishamba	16	4

The above named members were appointed via gazette notice no. Vol. CXXIV-No. 266 with a prescribed rate of ksh.7, 000 and ksh.5, 000 for chairperson and members respectively for every meeting attended.

Conduct and Ethics of a Committee member

Chapter six of the Constitution on leadership and integrity requires state officers to be guided in their day to day conduct by principles of leadership and integrity which, among other requirements, include: Being objective and impartial in ensuring that decisions are not influenced by nepotism, favoritism, corruption or other improper motives. NGCDF Mwatate regularly trains its Committee members on commitment to abide to this Chapter six of the Constitution.

6. Environmental and Sustainability Reporting

The boards mandate is to ensure timely and efficient disbursement of funds for the implementation of projects among them funds for the implementations of environmental activities and their Sustainability

1. **Sustainability strategy and profile -**

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

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

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

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

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

2. Environmental performance

- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

3. Employee welfare

We invest in providing the best working environment for our employees. Mwatate 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. Mwatate constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Mwatate Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. **Community Engagements-**

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

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Name: Peter Mwaighonda
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- Mwatate 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- Mwatate 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- Mwatate 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 Mwatate 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- Mwatate Constituency financial statements were approved and signed by the Accounting Officer on 13|12| 2024.

....	....
Name: Lydia Mwang'ombe	Name: Peter Mwaighonda
Chairperson – NGCDF Committee	Fund Account Manager

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

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MWATATE 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 - Mwatate Constituency set out on pages 1 to 40, 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 - Mwatate Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Project Management Committee Balances

Annex 5 to the financial statements reflects Project Management Committee (PMC) account balance totalling Kshs.40,321,264. However, the cashbooks and bank reconciliation statements for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of PMC accounts balance of Kshs.40,321,264 could not be confirmed.

2. Unexplained Variances

The summary statement of appropriation reflects undisbursed funds receivable from the Board as at 30 June, 2024 of Kshs.104,510,246 while the reconciliation of summary statement of appropriation to statement of assets and liabilities reflects the undisbursed funds of Kshs.89,526,394. The variance of Kshs.14,983,852 was not explained or reconciled.

In the circumstances, the accuracy of reconciliation of summary statement of appropriation to statement of assets and liabilities 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 - Mwatate 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 reflected final receipts budget and actual amounts on comparable basis of Kshs.282,991,409 and Kshs.178,481,162 respectively, resulting in under-funding of Kshs.104,510,246 or 37% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Prior Year Audit Issues

In the audit report of the previous financial year, several issues were raised under the report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Effectiveness of Internal Controls, Risk Management and Governance. The issues remained unresolved as 30 June, 2024. Although Management has indicated that the issues have been resolved, no evidence was provided to support that status.

Other Information

Management is responsible for the other information set out on page iv to xxiv which comprise of Key Constituency Information and Management, NG-CDFC Chairperson's Statement, 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 National Government Constituency Development Fund - Mwatate Constituency 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 and 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, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Excess Emergency Reserve

The statement of financial receipts and payments and Note 8 to the financial statements reflects other grants and other transfers of Kshs.76,713,896 which includes Kshs.5,746,698 in respect to emergency projects. The Fund had a total approved allocation of Kshs.67,816,571 for the year 2023/2024 which included Kshs.9,229,569 in respect of emergency reserve which was Kshs.5,838,740 above the set limit of Kshs.3,390,829. This is contrary to Section 8(1) of The National Government Constituency Development Fund Act, 2015 which requires that a portion of the Fund, equivalent to five per cent emergency reserve to remain unallocated and to be available for emergencies that may occur within the Constituency.

Further, there was no documentation showing that reports on utilization of the emergency reserve was made to the NGCDF Board within the stipulated period of thirty days of the occurrence of the emergency. This was contrary to Regulation 20(2) of The National Government Constituency Development Fund Regulations, 2016 which requires that the utilization of the emergency reserve to be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

2.0 Emergency Projects

The statement of receipts and payments and Note 8 to the financial statements reflects other grants and transfers amount of Kshs.76,713,896 which include emergency projects totaling Kshs.5,746,698. However, review of the payment records revealed that the project on construction of 4No. doors staff toilet at Maili Kumi Primary School at a cost of Kshs.1,000,000 commenced on 22 May, 2024 with expected completion date of 22 August, 2024. Physical verification of the project on 28 November, 2024, further showed that the contractor had been paid Kshs.395,908 and the project was at superstructure level and the contractor was not on site. The project had delayed by fourteen (14) weeks yet this was an emergency project.

In the circumstances, the regularity and value for money of emergency projects expenses-Maili Kumi primary school amounting to Kshs.1,000.000 could not be confirmed.

3.0 Unsupported Transfers to Primary Schools

The statement of receipts and payments and Note 7 to the financial statements reflects transfers to other government units amount of Kshs.87,623,561 which includes transfers to Primary schools of Kshs.36,660,357. Review of the payment records and physical verification revealed various anomalies:

a) Construction of 8 No. Classrooms at Mariwenyi Primary School

The project commenced on 5 January 2022 and expected completion date of 19 August, 2022 for contract period of 32 weeks. As at the time of audit on 28 November, 2024, the contractor was not on site, the construction was at superstructure level and Kshs.17,801,233 or 73% of the contract sum of Kshs.24,455,359 had been made. The project had delayed by 118 weeks.

b) Construction of External Works at Dembwa Primary School

Review of contract documents for the construction of external works at Dembwa Primary School of Kshs.5,488,465 reflects that tender advertisement, tender opening and evaluation minutes and signed professional opinion for the project were not provided for audit review. Further, there was no project's specific particulars of the certified works, engineer's estimate and the structural design being referred to as 'external works' in the project file.

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

4.0 Unconfirmed Purchase and Delivery of School Bus

The statement of receipts and payments and Note 7 to the financial statements reflects transfers to other government units amount of Kshs.87,623,561 which includes Kshs.45,072,028 in respect to transfers to Secondary schools. An amount of

Kshs.9,762,300 was transferred to Mwatate Secondary school on 2 November, 2023 for purchase of a school bus. However, the bus was not available for physical inspection.

In the circumstances, the residents of Mwatate Constituency may not have received value for money on the expenditure.

5.0 Lack of Value for Money on Security Project

The statement of receipts and payments and Note 8 to the financial statements reflects other grants and other transfers of Kshs.76,713,896, which include Kshs.11,898,670 on security projects. The tender for construction of Kamtonga Police Station was awarded on 16 August, 2022 at contract sum of Kshs.22,194,031 and the station handed over on 4 August, 2024. However, audit inspection done 27 November, 2024 revealed that the station is complete but not in use, approximately four months after handing over thus exposing the building, doors, windows and other items to possible theft and vandalism. Further, an amount of Kshs.200,000 was transferred to procure office furniture for the newly constructed station, which had not been procured.

In the circumstances, value for money may not have been realized by the residents of Mwatate Constituency on the security project.

6.0 Project Management Committee (PMC) Balances

Note 19.4 on other important disclosures and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balances of Ksh.40,321,264 (2023: Kshs.12,437,042) in respect of ninety-six (96) bank accounts in various commercial banks. Fifty-three (53) out of the ninety-six (96) bank accounts with cumulative balances of Kshs.1,643,350, represents projects which had been completed but whose balances had not been returned back to the constituency main bank account. This is contrary to Section 12(8) of the National Government Constituency Development Fund Act, 2015 which states that all unutilized funds of Project Management Committee shall be returned to the Constituency account.

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

7.0 Unutilized Funds

Annex 3 to the financial statements reflects fund balances totaling to Kshs.100,996,996 and which had remained unutilized as at 30 June, 2024. This is contrary to Public Finance Management Act 2012 Section 147(1) which states that the accounting officer of an entity shall monitor, evaluate and oversee the management of their public finances, including ensuring proper management and control of, and accounting for, their finances in order to promote the efficient and effective use of budgetary resources

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 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 ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

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	178,393,162	79,761,086
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	88,000	71,500
TOTAL RECEIPTS		**178,481,162**	**79,832,586**
PAYMENTS			
Compensation of employees	4	4,769,527	4,154,591
Committee expenses	5	3,725,900	11,025,000
Use of goods and services	6	5,277,559	4,425,236
Transfers to Other Government Units	7	87,623,561	25,933,490
Other grants and transfers	8	76,713,896	42,379,184
Acquisition of Assets	9	394,000	-
Other Payments	10	3,490,000	-
TOTAL PAYMENTS		**181,994,443**	**87,917,501**
SURPLUS/DEFICIT		**(3,513,281)**	**(8,084,915)**

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

The Constituency financial statements were approved by the NGCDFC on 13/12 2024 and signed by:

Chairperson NG-CDF Committee	Fund Accountant Manager	National Sub-County Accountant
Name: Lydia Mwang'ombe	Name:Peter M Mwaighonda	Name: Michael K Wambugu
		ICPAK M/No: 26982

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 (as per the cash book)	11A	12,327,962	14,983,853
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		12,327,962	14,983,853
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		12,327,962	14,983,853
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	955,882	98,492
NET FINANCIAL SSETS		11,372,080	14,885,361
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	14,885,361	22,970,275
Prior year adjustments	16	-	-
Surplus/Defict for the year		(3,513,281)	(8,084,915)
NET FINANCIAL POSITION		**11,372,080**	**14,885,360**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 13/12 2024 and signed by:

....	....	....
Chairperson NG-CDF Committee	Fund Accountant Manager	National Sub-County Accountant
Name: Lydia Mwang'ombe	Name:Peter M Mwaighonda	Name: Michael K Wambugu
		ICPAK M/No:26982

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	178,393,162	79,761,086
Other Receipts	3	88,000	71,500
		178,481,162	79,832,586
Payments for operating activities			
Compensation of Employees	4	4,769,527	4,154,591
Committee expenses	5	3,725,900	11,025,000
Use of goods and services	6	5,277,559	4,425,236
Transfers to Other Government Units	7	87,623,561	25,933,490
Other grants and transfers	8	76,713,896	42,379,184
Other Payments	10	3,490,000	-
		181,600,443	87,917,501
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	857,390	98,492
Prior year Adjustments	16	-	-
Net Adjustments		857,390	98,492
Net cash flow from operating activities		(2,261,890)	(7,986,423)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(394,000)	-
Net cash flows from Investing Activities		(394,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(2,655,890)	(7,986,423)
Cash and cash equivalent at BEGINNING of the year	11	14,983,853	22,970,275
Cash and cash equivalent at END of the year		12,327,962	14,983,852

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	181,261,893	14,983,853	86,745,663	282,991,409	178,393,162	104,598,246	
Proceeds from Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	-		-	88,000	(88,000)	0%
TOTAL RECEIPTS	**181,261,893**	**14,983,853**	**86,745,663**	**282,991,409**	**178,481,162**	**104,510,246**	**63%**
PAYMENTS							
Compensation of Employees	5,451,489	213,869	-	5,665,358	4,769,527	895,831	84%
Committee expenses	3,996,200	-	950,000	4,946,200	3,725,900	1,220,300	75%
Use of goods and services	6,334,873	5,822	-	6,340,695	5,277,558	1,063,137	83%
Transfers to Other Government Units	91,071,270	5,430,813	70,864,838	167,366,921	87,623,561	79,743,360	52%
Other grants and transfers	74,408,062	5,756,848	13,034,425	93,199,335	76,713,896	12,485,439	82%
Acquisition of Assets	-	-	396,400	396,400	394,000	4,002,400	99%
Other Payments	-	2,000,000	1,500,000	3,500,000	3,490,000	10,000	100%
Funds pending approval	-	1,576,500	-	1,576,500	-	1,576,500	0%
*AIA	-		-	-		-	
TOTAL	**181,261,894**	**14,983,852**	**86,745,663**	**282,991,409**	**181,994,443**	**100,996,966**	**64%**

***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.

The low utilisation of funds was due to delay in disbursements of funds from the Ngcdf Board. Further the amendment of the Ngcdf Act 2015 (Amendment 2023) affected the use of funds in some sectors.
Changes between the original and final budget are as a result of other causes as per IPSAS 1.9.23.)

The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilization difference totals	100,996,966
Less undisbursed funds receivable from the Board as at 30th June 2024	89,526,394
	11,470,572
Add Accounts payable	857,390
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2023/2024	12,327,962

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	5,451,489	213,869		**5,665,358**	4,769,527	895,831
1.2 Committee Allowances	832,000			**832,000**	606,000	226,000
1.3 Use Of Goods And Services	4,238,219			**4,238,219**	3,601,642	636,577
Sub-Total	**10,521,708**	**213,869**	-	10,735,577	**8,977,170**	**1,758,408**
2.0 Monitoring And Evaluation						
2.1 Capacity Building	400,000			400,000	-	400,000
2.2 Committee Allowances	3,164,200			3,164,200	2,169,900	994,300
2.3 Use Of Goods And Services	1,696,654	5,822		1,702,476	1,675,916	26,560
Sub-Total	5,260,854	5,822	-	5,266,676	3,845,816	1,420,860
3.0 Constituency Oversight Committee			950,000	950,000	950,000	-
Sub-Total	-	-	950,000	950,000	950,000	-
4.0 Emergency						
4.1 Primary Schools	9,229,569	663,316	1,288,190	11,181,075	5,746,698	5,434,377
4.2 Secondary Schools		-	-	-	-	-
4.3 Tertiary Institutions				-		-
4.4 Security Projects				-	-	-
Sub-Total	9,229,569	663,316	1,288,190	11,181,075	5,746,698	5,434,377
5.0 Bursary And Social						

Security						
5.1 Primary Schools	-			-		-
5.2 Secondary Schools	45,545,015	1,298,204		46,843,219	46,830,705	12,514
5.3 Tertiary Institutions	10,306,134	75,000		10,381,134	10,381,134	-
5.4 Universities	-			-		-
5.5 Education Support Programmes	-			-		-
5.6 Social Security	-			-		-
Sub-Total	**55,851,149**	**1,373,204**	**-**	**57,224,353**	**57,211,839**	**12,514**
6.0 Sports						
6.1.Constituency Sports			1,667,674	1,667,674	1,667,674	-
Sub-Total	-	-	**1,667,674**	**1,667,674**	**1,667,674**	-
7.0 Environment						
7.1	3,507,236	189,016	-	3,696,252	189,016	3,507,236
Sub-Total	3,507,236	189,016	-	3,696,252	189,016	3,507,236
8.0 Primary Schools Projects						
8.1.Kilulunyi Primary School	520,513			520,513	-	520,513
8.2.Mruru Primary School	206,749			206,749	206,749	-
8.3.Mbagha Primary School	377,375			377,375	377,375	-
8.4.Zare Primary School	388,392			388,392	388,392	-
8.5.Godoma Primary School	186,353			186,353	186,353	-
8.6.kighononyi primary school	307,636			307,636	307,636	-
8.7.Mwashuma Primary School	181,880			181,880	181,880	-
8.8.Dembwa Primary	5,488,465			5,488,465	5,488,465	-
8.9.Mazola Primary School	1,063,755			1,063,755	1,063,755	-
8.10.Mwawache Primary School	10,548,717			10,548,717	-	10,548,717
8.11.Mlughi Primary	1,341,770			1,341,770	-	1,341,770

8.12.Mwakinyungu Primary School	1,037,965			1,037,965	-	1,037,965
8.13.Mailikumi Primary School	121,745			121,745	121,745	-
8.14.Mwandala Primary School	6,000,000			6,000,000	6,000,000	-
8.15.Mwakakelri Primary School	5,900,083			5,900,083	-	5,900,083
8.16.Kitivo Primary School	9,099,917			9,099,917	-	9,099,917
8.17.Wusi Primary	1,300,000			1,300,000	-	1,300,000
8.18.Mwakaleri Primary School Moe	5,900,083			5,900,083	-	5,900,083
8.19.Mwachawaza Primary School	-	1,000,000		1,000,000	1,000,000	-
8.20.Kongoni Primary School		153,249		153,249	153,249	-
8.21.Zare Primary School		1,000,000		1,000,000	1,000,000	-
8.22.Kongoni Primary School		120,651		120,651	120,651	-
8.23.Shelemba Primary School		1,000,000		1,000,000	1,000,000	-
8.24.Kipusi Primary School		104,650		104,650	104,650	-
8.25.Kishamba Primary School		1,000,000		1,000,000	1,000,000	-
8.26.Mwatate Primary School			12,457,337	12,457,337	-	12,457,337
8.27.Mwatate Primary School			750,000	750,000	750,000	-
8.28.Mariwenyi Primary School			8,048,213	8,048,213	8,048,213	-
8.29.Mariwenyi Primary School			750,000	750,000	750,000	-
8.30kungu Primary School			13,428,542	13,428,542	-	13,428,542
8.31.Kungu Primary School			500,000	500,000	500,000	-

8.32.Kironge Primary School			2,000,000	2,000,000	2,000,000	-
8.33.Mwakaleri Primary School			1,000,000	1,000,000	1,000,000	-
8.34.Mnamu Primary School			550,000	550,000	550,000	-
8.36.Sechu Primary School			1,000,000	1,000,000	1,000,000	-
8.37.Kongoni Primary School			279,349	279,349	279,349	-
8.38.Kipusi Primary School			100,000	100,000	100,000	-
8.39.Kighononyi Primary School			318,365	318,365	318,365	-
8.40.Mwakitutu Primary School			400,000	400,000	400,000	-
8.41.Mambura Primary School			400,000	400,000	400,000	-
8.42.Kilulunyi Primary School			1,449,197	1,449,197	1,449,197	-
8.44.Mgeno Primary School		414,332		414,332	414,332	-
Sub-Total	49,971,398	4,792,883	43,431,003	98,195,284	36,660,357	61,534,927
9.0 Secondary Schools Projects						-
9.1.Mwambonu Secondary School	620,774			620,774	620,774	-
9.2.Mwangoji Secondary School	4,872,098			4,872,098	4,872,098	-
9.3.St. Joseph Secondary School	850,000			850,000	850,000	-
9.4.Zare Secondary School	6,300,000			6,300,000	6,300,000	-
9.5manoa Secondary School	6,300,000			6,300,000	3,851,391	2,448,609
9.6.Mshimba Secondary School	6,500,000			6,500,000	6,500,000	-

9.7.Elijah Mzae Secondary	8,000,000			8,000,000	-	8,000,000
9.8.Mwanyambo Secondary School	7,657,000			7,657,000	-	7,657,000
9.9.St. Joseph Secondary School			2,702,347	2,702,347	2,702,347	-
10.0.Elijah Mzae Secondary School			102,824	102,824	-	102,824
10.1. Elijah Mzae Secondary School			1,000,000	1,000,000	1,000,000	-
10.2. Mwatate Secondary School			9,762,300	9,762,300	9,762,300	-
10.3.Mwafuga High School			1,051,599	1,051,599	1,051,599	-
10.4.Mwatate Day Secondary School			1,103,374	1,103,374	1,103,374	-
10.5.St Josephs Secondary School			4,774,145	4,774,145	4,774,145	-
10.6.Mwakironge Secondary School			200,000	200,000	200,000	-
10.7.Mwangoji Secondary School		637,930	846,070	1,484,000	1,484,000	-
Sub-Total	41,099,872	637,930	21,542,659	63,280,461	45,072,028	18,208,433
10.0 Tertiary Institutions Projects						-
1.0.Mwatate Technical And Vocational Training Center			5,891,176	5,891,176	5,891,176	-
Sub-Total	-	-	5,891,176	5,891,176	5,891,176	-
11.0 Security Projects						-
11.1.Kamtonga Police Station	1,011,775	-		1,011,775	1,011,775	-
11.2.Mwambirwa Acc's Office	206,588	-		206,588	206,588	-
11.3.Mwambirwa Acc's Office	251,745	-		251,745	251,745	-

11.4.Mwambirwa Acc's Office	350,000	-		**350,000**	350,000	-
11.5.Kamtonga Police Station		3,531,312	9,878,562	**13,409,874**	9,878,562	3,531,312
11.6.Kamtonga Police Station			200,000	**200,000**	200,000	-
Sub-Total	**1,820,108**	**3,531,312**	**10,078,562**	**15,429,982**	**11,898,670**	**3,531,312**
12.0 Acquisition Of Assets						-
12.1 Motor Vehicles (Including Motorbikes)				**-**		-
12.2 Construction Of Cdf Office	4,000,000			**4,000,000**	-	4,000,000
12.3 Purchase Of Furniture And Equipment			396,400	**396,400**	394,000	2,400
12.4 Purchase Of Computers				**-**		-
12.5 Purchase Of Land				-		-
Sub-Total	**4,000,000**	-	**396,400**	4,396,400	**394,000**	**4,002,400**
13.0 Others						-
13.1 Strategic Plan		2,000,000	1,500,000	3,500,000	3,490,000	10,000
13.2 Innovation Hub				-		-
Sub Total	-	2,000,000	1,500,000	3,500,000	3,490,000	10,000
Funds Pending Approval		1,576,500		1,576,500		1,576,500
Sub-Total	-	1,576,500	-	1,576,500	-	1,576,500
Total	181,261,894	14,983,852	86,745,663	282,991,409	181,994,443	100,996,966

(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 Ccompliance 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- Mwatate Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Recognition of Receipts

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

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

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

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 on xx June 2024 for the period 1st July 2024 to 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. B 233515	-	1,290,000
AIE NO. B 185196	-	7,000,000
AIE NO. B 185731	-	15,000,000
AIE NO. B 185471	-	6,000,000
AIE NO. B 206047		5,000,000
AIE NO. B 206497		12,000,000
AIE NO. B 205841		12,000,000
AIE NO. B 205665		6,471,086
AIE NO. B 207602		15,000,000
AIE NO.B214492	18,895,023	
AIE NO.B214145	12,088,879	
AIE NO.B214689	27,409,260	
AIE NO.B225162	30,000,000	
AIE NO.B226168	30,000,000	
AIE NO.B214852	60,000,000	
TOTAL	**178,393,162**	**79,761,086**

2. Proceeds From Sale of Assets

	2023/2024	*2022/2023*
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00

Others (specify)	0.00	0.00
Total	**0.00**	**0.00**

3. Other Receipts

	2023/2024	*2022/2023*
	Kshs	**Kshs**
Interest Received	0.00	0.00
Rent	0.00	0.00
Receipts from sale of tender documents	0.00	22,500
Hire of plant/equipment/facilities	0.00	28,000
Unutilized funds from PMCs account	0.00	0.00
Other Receipts Not Classified Elsewhere *(hall hire)*	88,000	21,000
Total	**88,000**	**71,500**

4. Compensation Of Employees

	2023/2024 Kshs	2022/2023 Kshs
NG-CDFC Basic staff salaries	2,299,361	2,464,052
Personal allowances paid as part of salary nhif	103,250	82,900
House allowance	538,200	-
Transport allowance	537,800	-
Leave allowance	-	-
Gratuity-contractual employees	857,390	1,400,279
Employer Contributions Compulsory national social security schemes	316,824	207,360
Employer contributions compulsory housing levy	110,552	
Employer contributions to national industrial training authority	6,150	
TOTAL	**4,769,527**	**4,154,591**

5. Committee Expenses

	2023/2024 Kshs	2022/2023 Kshs
A.NG CDFC		
Sitting allowance	606,000	9,800,000
Other committee expenses	2,169,900	1,225,000
Sub-total	**2,775,900**	**11,025,000**
B. Constituency Oversight Committee		
Members allowance	950,000	-
Other committee expenses	-	-
Sub-total	**950,000**	-
Total (A+B)	3,725,900	11,025,000

6. Use of Goods and services

	2023/2024	2022/2023
	Kshs	Kshs
Utilities, supplies and services	308,500	3,022,611
Communication, supplies and services	378,812	65,400
Domestic travel and subsistence	894,500	-
Printing, advertising and information supplies & services	137,360	-
Rentals of produced assets	-	-
Training expenses	554,900	-
Hospitality supplies and services	-	-
Insurance costs	500,000	-
Specialised materials and services	-	-
Office and general supplies and services	496,588	129,980
Fuel , oil & lubricants	1,710,836	1,100,000
Other operating expenses	-	-
Bank Charges	-	-
Security operations	-	30,145
Routine maintenance - vehicles and other transport equipment	296,063	77,100
Routine maintenance- other assets	-	-
TOTAL	**5,277,559**	**4,425,236**

7. Transfer To Other Government Units

Description	*2023/2024*	*2022/2023*
	Kshs	Kshs
Transfers to PrimarySchools	36,660,357	18,031,635
Transfers to Secondary Schools	45,072,028	7,901,855
Transfers to Tertiary Institutions	5,891,176	0.00
TOTAL	**87,623,561**	**25,933,490**

8. Other Grants and Other transfers

	2023/2024 Kshs	*2022/2023* Kshs
Bursary - Secondary (see attached list)	46,830,704	24,322,000
Bursary -Tertiary (see attached list)	10,381,134	5,734,000
Bursary- Special Schools	-	100,000
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects (see attached list)	11,898,670	6,000,000
Sports Projects (see attached list)	1,667,673	730,200
Environment Projects (see attached list)	189,016	3,810,984
Emergency Projects (see attached list)	5,746,698	1,682,000
Roads Projects	-	-
TOTAL	**76,713,896**	**42,379,184**

9. Acquisition Of Assets

	2023/2024 Kshs	*2022/2023* Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	394,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land		-
Acquisition of Intangible Assets		
TOTAL	**394,000**	-

10. Other Payments

	2023/2024	2022/2023
	Kshs	Kshs
Strategic Plan	3,490,000	-
ICT Hubs	-	-
Other(specify)		-
TOTAL	**3,490,000**	-

11. Cash and Cash Equivalents

Name of Bank and Account No.	2023/2024	2022/2023
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
Mwatate const dev fund ac Kenya Commercial Bank,A/C no.1107927358 (Operation account)	11,372,080	14,983,853
Operation account pending closure (Indicate name & account no.)	0.00	0.00
Ngcdf Mwatate deposit ac. Kenya Commercial Bank,A/C no. (Deposit)	955,882	0.00
Total	**12,327,962**	**14,983,853**
11B: Cash Balances		
Location 1	0.00	0.00
Location 2	0.00	0.00
Other Locations (*Specify)*	0.00	0.00
Total	**0.00**	**0.00**
[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*
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Name of Officer	dd/mm/yy	0.00	0.00	0.00
Total		**0.00**	**0.00**	**0.00**

[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)	0.00	0.00
Retention held during the year (B)	0.00	0.00
Retention paid during the Year (C)	0.00	0.00
Closing Retention as at 30th June D= A+B-C	**0.00**	**0.00**

Retentions aging analysis.

	2023-2024	% of the total Retention	2022-2023	% 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)	98,492.00	
Gratuity held during the year (B)	857,390.40	98,492
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30th June D= A+B-C	**955,882.40**	98,492

Gratuity aging analysis

	2023-2024	% of the total Gratuity	2022-2023	% of the total Gratuity
Under one year	955,882.00	100	1	100
1-2 years	-	0	0	0
2-3 years	-	0	0	0
Over 3 years	-	0	0	0
Total	**955,882.00**		1	

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

15. Fund Balance B/F

	(1st July 2023) Kshs	(1st July 2022) Kshs
Bank accounts	14,983,853	22,970,275
Cash in hand	0.00	0.00
Imprest	0.00	0.00
Total	**14,983,853**	**22,970,275**
Less		
Payables: - Retention	0.00	0.00
Payables – Gratuity	857,390.40	98,492
Fund Balance Brought Forward	0.00	0.00

[Provide short appropriate explanations as necessary]

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0.00	0.00	0.00
Cash in hand	0.00	0.00	0.00
Imprests	0.00	0.00	0.00
Retentions	0.00	0.00	0.00
Gratuity	0.00	0.00	0.00
Others (*specify*)	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**

*** 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)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
Closing accounts in account receivables D= A+B-C	0.00	0.00
Net changes in accounts Receivables D – A	**0.00**	**0.00**

18. Changes In Accounts Payable – Gratuities and Retentions

	2023/2024	*2022/2023*
	KShs	KShs
Gratuities and Retentions as at 1st July (A)	98,492.00	-
Gratuities and Retentions held during the year (B)	857,390.40	98,492
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	**955,882.40**	**98,492**
Net changes in accounts payables D-A	**857,390.40**	**98,492.00**

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

Aging Analysis for Pending Accounts Payables

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

19.2: Pending Staff Payables (See Annex 2)

	2023/2024	*2022/2023*
	Kshs	Kshs
NGCDFC Staff	-	-
Others (*specify*)	955,882.40	98,492
Total	**955,882.40**	**98,492**

Aging Analysis for staff Payables

	2023/2024	% of the total	*2022/2023*	% of the total
Under one year	1	100	1	100
1-2 years	0	0	0	0
2-3 years	0	0	0	0
Over 3 years	0	0	0	0
Total	1		**1**	

19.3: Unutilized Fund (See Annex 3)

	2023-2024 Kshs	2022-2023 Kshs
Compensation of employees	895,831	-
Use of goods and services	1,063,137	186,004
committee expenses	1,220,300	173,720
Amounts due to other Government entities (see attached list)	79,743,360	77,407,582
Amounts due to other grants and other transfers (see attached list)	16,485,438	19,723,036
Acquisition of assets	2,400	
Oversight Committee Expenses	10,000	500,000
Others (*specify*)	-	2,000,000
Funds pending approval	1,576,500	71,500
Total	100,996,966	100,061,842

19.4: PMC account balances (See Annex 5)

	2023/2024	*2022/2023*
	Kshs	Kshs
PMC account balances	40,321,264	12,437,042
Total	40,321,264	12,437,042

19.5 Related Party Transactions

	2023/2024	*2022/2023*
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	606,000.00	9,800,000.00
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	178,393,162	79,761,086
Total	178,393,162	79,761,086

16.Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2024	Comments
ANNET MWASIGHADI	CLERK OF WORKS	23-May-2023	128,674.49	
BONIFACE MWABONJE	ACCOUNTS ASSSITANT	23-May-2023	128,673.04	
RAJAB KAFUTA	PUBLIC RELATIONS OFFICER	23-May-2023	26,501.90	
FESTUS MWANGOMBE	DRIVER	23-May-2023	105,924.21	
VIOLET BIBI MWAMRIZI	SECRETARY	23-May-2023	21,599.87	
HEDLAM TOLE KITAWI	SUPPORT STAFF	23-May-2023	15,668.33	
SIMON DADI	SUPPORT STAFF	23-May-2023	15,668.33	
TOBIAS MAGHANGA	SUPPORT STAFF	23-May-2023	15,668.33	
AMOS MKARI SALEH	PUBLIC RELATIONS OFFICER	23-Aug-2023	102,172.70	
FLORAH MBALA MCHARO	RECORDS MANAGEMENT OFFICER	23-Aug-2023	83,249.80	
MEGGY MBELA WUGHANGA	ADMINSTRATIVE SECRETARY	23-Aug-2023	83,249.80	
PEIRIS SAID MKAMBURI	SUPPORT STAFF	23-Aug-2023	57,207.90	
TABITHA SHALLY MWAZIGHE	SUPPORT STAFF	23-Aug-2023	57,207.90	
FRACISCA OMONDI	GROUNDS MAN	23-Aug-2023	57,207.90	
KISOMBE JONES KELVIN	SECURITY OFFICER	23-Aug-2023	57,207.90	
Grand Total			955,882.40	

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023/2024	**2022-2023**	
Compensation of employees	payment of of contractual employees	895,831.00	-	
1.2 Committee allowances	payment of committee allowance	226,000.00		
Use of goods & services	payment for goods and services utilities	636,576.55	359,724.00	
Sub-Total		**1,758,407.55**		
2.0 Monitoring and evaluation				
2.1 Capacity building	payment of capacity buildings and trainings	400,000.00		
2.2 Committee allowances	payment of committee allowance	994,300.00		
2.3 Use of goods and services	payment for goods and services utilities	26,553.00		
Sub-Total		1,420,853.00		
Amounts due to other Government entities				
Primary Schools Projects				
Kipusi Primary School	Completion of administration block by tilling		104,650	
Mgeno Primary School	Completion of 2no.classrooms		414,332	
Kongoni Primary School	Completion of 2no.classrooms		153,249	
Mwatate Primary School	Completion of 8no.classrooms storey building		13,354,778	
Mwatate Primary School	Purchase and supply of desks		750,000	
Mariwenyi Primary School	Completion of 8no.classrooms storey building		8,048,213	

Mariwenyi Primary School	Purchase and supply of desks		750,000	
Kungu Primary School	Completion of 8no.classrooms storey building		13,428,542	
Kungu Primary School	Purchase and supply of desks		500,000	
Kishamba Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Kironge Primary School	Completion of 2no.block 6 no. door toilet		2,000,000	
Mwakaleri Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Mwachawaza Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Mnamu Primary School	Completion of 2no.classrooms (rock excavation)		3,000,000	
Sechu Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Zare Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Shelemba Primary School	Completion of 1no.block 6 no. door toilet		1,000,000	
Kongoni Primary School	Purchase and supply of desks		400,000	
kipusi primary school	Completion of administration block		100,000	
st Francis Kilulunyi primary school	Construction of 2 no. classrooms		1,449,197	
Kighononyi primary school	Construction of 4 no. classrooms		318,385	
Mwakitutu primary school	Construction of 4 no. classrooms		400,000	
Mambura primary school	Construction of 4 no. classrooms		400,000	
Kilulunyi Primary School	completion of 2 no classrooms	520,513.00		
Mwawache Primary School	completion of 8 no classrooms in storey building	10,548,717.00		

Mlughi Primary School	completion of 8 no classrooms in storey building	1,341,770.00		
Mwakinyungu Primary School	completion of 8 no classrooms in storey building	1,037,965.00		
MWAKAKELRI Primary School	construction of 4no.classrooms phase 1 in storey building	5,900,083.00		
Kitivo Primary School	construction of 4no.classrooms phase 1 in storey building	9,099,917.00		
WUSI PRIMARY	construction of 6no.door toilet	1,300,000.00		
Mwakaleri primary school MOE	construction of 4no.classrooms jss	5,900,083.00		
Mwatate Primary School	completion of 8 no classrooms in storey building	12,457,336.76		
Kungu Primary School	purchase of desks	13,428,542.00		
Secondary Schools Projects				
St. Joseph Secondary School	Completion of dining hall construction		2,702,347	
Elijah Mzae Secondary School	Construction of science laboratory		6,000,000	
Elijah Mzae Secondary School	Construction of 1 no. block 6 no door toilet		1,000,000	
Mwatate Secondary School	Purchase of 52-seater school bus		8,158,700	
Mwakironge secondary school	Construction of 1 no block 6 no door toilet		200,000	
Mwatate Secondary School	Construction of science laboratory		1,103,374	
Mwafuga high school	Construction of science laboratory		1,051,599	
Mwangoji secondary school	Construction of administration block		846,070	
st joseph's secondary school	Construction of dining hall		4,774,145	
Manoa Secondary School	construction of 45 students capacity science labaratory	2,448,609.00		
Elijah Mzae Secondary	construction of 45 students capacity science labaratory	8,000,000.00		
Mwanyambo Secondary School	purchase of 33 usuzu IFR school bus	7,657,000.00		

Elijah Mzae Secondary School	construction of 45 students capacity science labaratory	102,824.00		
Sub-Total		**79,743,359.76**	**77,407,582**	
Amounts due to other grants and other transfers				
10.0 Security Projects				
Kamtonga Police Station	Construction of police station		9,878,562	
Kamtonga Police Station	Purchase and supply of furniture		200,000	
Kamtonga Police Station	construction of kamtonga police station	3,531,312.15		
6.0 Environment				
6.2 Mwambota Primary School	Construction of 6 no door toilet		1,000,000	
Murray girls high school	construction of bio digesters	3,507,236.00		
5.0 Sports				
5.1Constituency Sports tournament	Constituency tournament		1,667,673.71	
4.0 **Bursary** and Social Security				
Tertiary Institutions	Payment of bursary to needy tertiary institutions students		1,022,609.67	
secondary students	Payment of bursary to needy secondary students	12,514.00		
3.0 Emergency	Catter for unforeseen occurrences	5,434,376.66	5,954,190.00	
Sub-Total		12,485,438.81	19,723,035.38	
Acquisition of assets				
Purchase of furniture and equipment		2,400.00		
Sub-Total		2,400.00	0	

Oversight Committee Expenses(itemize)			500,000.00	
Construction of CDF office				
9.1. Construction of CDF office	renovation of Ngcdf offices	4,000,000.00		
Sub-Total		**4,000,000.00**		
Others (*specify*)				
Mwatate NG-CDF Strategic Plan	Preparations of strategic plan	10,000.00	2,000,000.00	
Mwatate NG-CDF Strategic Plan	Preparations of strategic plan			
Sub-Total		**10,000.00**	**2,500,000.00**	
Funds pending approval		1,576,500	**71,500.00**	
Grand Total		**100,996,966**	**100,061,842**	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	7,500,000.00	-	-	7,500,000.00
Transport equipment	14,480,000.00	-	-	14,480,000.00
Office equipment, furniture and fittings	325,500.00	396,400.00	-	721,900.00
ICT Equipment, Software and Other ICT Assets	544,850.00	-	-	544,850.00
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	22,850,350.00	396,400.00	-	23,246,750.00

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

PMC	BANK	ACCOUNT NUMBER	2023/2024	2022/2023
BAGHAU PRIMARY SCHOOL	KCB	1204877432	22.90	22.90
BURA PRIMARY SCHOOL	KCB	1254776370	41,346.70	42,663.70
CHAWIA HUGH SCHOOL	KCB	1103791605	23,433.72	91,866.72
CHAKALERI PRIMARY SCHOOL	CO OPERATIVE	1139220307500	1,577.00	1,577.00
CHUNGA UNGA PRIMARY SCHOOL	KCB	1202079466	163,770.50	164,961.50
CHUNGA UNGA PRIMARY SCHOOL	KCB	1295518147	158,315.00	159,506.00
DEMBWA PRIMARY SCHOOL	KCB	1263363199	5,512,044.00	25,400.00
ELIJAH MZAE SEC SCHOOL	KCB	1318668158	48,832.00	
ELIJAH MZAE SEC SCHOOL	KCB	1136746285	135.85	136,826.85
GODOMA CHIEFS OFFICE	KCB	1266483152	2,748.00	3,939.00
GODOMA PRIMARY SCHOOL	KCB	1291037950	194,628.00	9,466.00
KAMTONGA POLICE STATION	KCB	1304637239	1,432,324.70	3,004,375.00
KENYATTA HIGH SCHOOL-MWATATE	KCB	1316521168	23,209.00	-
KIDAYA-SAGHAIGHU PRIMARY	KCB	1201488028	8,073.50	8,073.50
KIGHOMBO PRIMARY SCHOOL	KCB	1208412043	59,774.50	60,965.50
KIGHONONYI PRIMARY SCHOOL	KCB	1289578087	333,778.25	194,473.00
KILULUNYI PRIMARY SCHOOL	KCB	1303027046	97,986.25	49,181.00
KIPUSI PRIMARY SCHOOL	KCB	1289563160	2,900.90	6,370.00
KIRONGE PRIMARY SCHOOL	KCB	1317936752	593,124.50	
KISHAMBA PRIMARY SCHOOL	KCB	1313668893	8,127.50	
KISHAU PRIMARY SCHOOL	KCB	1135939071	248.00	248.00
KISHAU PRIMARY SCHOOL	KCB	1292312912	31,837.00	31,837.00
KITAWI SEC SCHOOL	KCB	1118287215	992.50	992.00

KITIVO PRIMARY SCHOOL	KCB	1183979606	3,274.00	3,274.00
KONGONI PRIMARY SCHOOL	KCB	1204954984	1,359.00	9,293.00
KITUMA SECONDARY SCHOOL	EQUITY	790299882033	77,931.00	77,931.00
KOMBOLIO SECONDARY SCHOOL	CO OPERATIVE	1134220282000	3,575.00	3,575.00
KONGONI PRIMARY SCHOOL	KCB	1235108910	86,802.00	
KUNGU PRIMARY SCHOOL	KCB	1290205566	123,772.75	125,578.00
MAMBURA PRIMARY SCHOOL	KCB	1133870775	152,295.30	3,696.00
LAGHONYI SEC SCHOOL	EQUITY	790297606691		6,238.00
MANOA PRIMARY SCHOOL	KCB	1176836714	5,233.65	5,233.65
MANOA SECONDARY SCHOOL	KCB	1330416252	3,851,391.00	
MARIWENYI PRIMARY SCHOOL	KCB	1207199915	153,236.90	185,977.50
MAZOLA PRIMARY SCHOOL	KCB	1208555154	1,130,058.00	68,250.00
MBAGHA PRIMARY SCHOOL	KCB	1291071288	382,375.00	6,708.00
MENGO PRIMARY SCHOOL	KCB	1204810087	187,103.75	188,977.50
MGENO PRIMARY SCHOOL	KCB	1295910454	859,826.00	34,533.00
MGENO PRIMARY SCHOOL	EQUITY	790293408297	16,004.90	16,004.90
MLAMBA SEC SCHOOL	EQUITY	790293407597	91,709.00	94,709.00
MLUGHI PRIMARY SCHOOL	KCB	1261708121	665.00	69.00
MNAMU PRIMARY SCHOOL	EQUITY	7902974333273	159,416.00	5,911.50
MNAMU PRIMARY SCHOOL	KCB	1286255856	159,416.00	2,998,849.00
MNGAMA PRIMARY SCHOOL	KCB	1283024128	41,490.00	41,300.00
MRABENYI PRIMARY SCHOOL	KCB	1289478848	194.00	164,320.00
MRUGHUA PRIMARY SCHOOL	KCB	1118978234	983.00	983.00
MRURU PRIMARY SCHOOL	KCB	1290281211	472.00	2,840.00
MSHIMBA SECONDARY SCHOOL	KCB	1330485386	6,500,000.00	

MSISINENYI ADULT & CONTINUING EDU	KCB	1279487127	19,306.00	20,497.00
MSISINENYI PRIMARY SCHOOL	KCB	1178731014	23,528.25	23,528.25
MSORONGO PRIMARY SCHOOL	KCB	1233616781	29,744.96	29,744.96
MWACHABO PRIMARY SCHOOL	KCB	1109443536	373.00	373.00
MWACHAWAZA PRIMARY SCHOOL	KCB	1135962855	97,661.10	340.10
MWAFUGA SECONDARY SCHOOL	KCB	1131759877	50,342.50	35,227.00
MWAKALERI PRIMARY SCHOOL	KCB	1318313465	53,674.00	-
MWAKALERI PRIMARY SCHOOL	KCB	1117492639	53,674.00	1,097.65
MWAKINYUNGU PRIMARY SCHOOL	KCB	1257535242	78,743.00	1,045,484.00
MWAKIRONGE SEC SCHOOL	KCB	1298318211	82,168.00	1,692.00
MWAKITAU PRIMARY SCHOOL	KCB	1297309758	12,012.00	74,722.00
MWAKITAU SECONDARY SCHOOL	KCB	1135306478	113,794.00	113,794.00
MWAKITUTU PRIMARY SCHOOL	KCB	1290051143	2,144.25	3,400.00
MWAMBIRWA ACC OFFICE	KCB	1260178943	889,776.50	1,157,362.00
MWAMBONU SECONDARY SCHOOL	KCB	1262435668	622,351.00	2,768.00
MWAMBOTA PRIMARY SCHOOL	KCB	790264750972	2,356.00	2,356.00
MWAMBOTA PRIMARY SCHOOL	KCB	1327751518	245,575.00	
MWAMBOTA PRIMARY SCHOOL	KCB	1312389567	114,119.00	
MWANDALA PRIMARY SCHOOL	KCB	1330392507	6,000,000.00	
MWANDANGO SECONDARY SCHOOL	KCB	1103823507	42,364.35	42,364.35
MWANDISHA PRIMARY SCHOOL	KCB	1208054562	158,674.40	158,674.40
MWANGA SECONDARY SCHOOL	KCB	1265792954	113,207.40	113,207.00
MWANGOJI SEC SCHOOL	KCB	1104864215	6,511.00	4,294.00
MWANYAMBO SEC SCHOOL	CO OPERATIVE	1139220315300	2,099.00	2,099.00
MWASERE GIRLS SEC SCHOOL	KCB	1275098258	3,112.00	53,712.00

MWASHUMA PRIMARY SCHOOL	KCB	1292587644	13,579.00	14,770.00
MWATATE DAY SECONDARY SCHOOL	KCB	1296167763	5,615.25	25,702.00
MWATATE SECONDARY SCHOOL	CO OPERATIVE	1134220137400	3,561.75	3,561.75
MWATATE DAY SECONDARY SCHOOL	KCB	1321101686	220,090.65	
MWATATE NGCDF SPORTS PROJECT	KCB	1320309720	508,309.71	
MWATATE PRIMARY SCHOOL	KCB	1257097997	54,200.50	55,885.00
MWATATE TECHNICAL AND VOCATIONAL TRAINING CENTER	KCB	1321254172	1,500.33	
MWATATE TECHNICAL TRAINING INSTITUTE	KCB	1171174055	610.45	610.45
MWAVUNYU PRIMARY SCHOOL	KCB	1209006243	12,932.90	14,375.00
MWAWACHE PRIMARY SCHOOL	KCB	1134778813	10,632.00	12,831.00
MWEMBA PRIMARY SCHOOL	KCB	1176706683	59,238.00	59,238.00
MZWANENYI SEC SCHOOL	KCB	1104854554	19,192.40	19,192.00
NGANGU SECONDARY SCHOOL	KCB	1120851556	31,689.75	31,689.75
RONGE PRIMARY SCHOOL	KCB	1267668423	361.00	396,174.00
SECHU PRIMARY SCHOOL	KCB	1318654858	51,411.00	-
SHELEMBA PRIMARY SCHOOL	KCB	1317181751	661.00	
ST.JOSEPH SECONDARY SCHOOL	KCB	1295526034	858,270.25	6,932.00
WUMARI PRIMARY SCHOOL	KCB	1289179662	1,453.25	1,199.00
WUMARI PRIMARY SCHOOL	KCB	1282902865	1,453.25	81,057.00
ZARE PRIMARY SCHOOL	KCB	1176597256	9,004.00	9,004.75
ZARE SECONDARY SCHOOL SCHOOL	CO OPERATIVE	1139220327700	12,611.65	12,611.25
ZARE PRIMARY SCHOOL	KCB	1289476381	492,436.00	55,578.00
ZARE SECONDARY SCHOOL	KCB	1330377532	6,300,000.00	
ZARE SECONDARY SCHOOL	KCB	1263114709	107,326.00	107,326.00
			40,321,264.32	12,437,042.00

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)
MSA/NGCDF/ MWATATE/ 2022/2023	i) Irregular emergency expenditure	Members approved and incurred the expenditure since they noted of concern risk of malaria outbreak if the activity wasn't undertaken	Resolved	Aug-23
	ii) failure to dispose dilapidated assets	The process of disposing of the assets is ongoing	Resolved	Aug-23
	iii) Unsupported Project Management Committee Bank Balances	PMC bank balance certificates of bank balances have availed	Resolved	Aug-23
	iv)unsupported committee expenses	The committee expenses were supported by schedules, reports &ternary of activity	resolved	Aug-23
	v) unsupported bursary disbursement	The bursary acknowledgments receipts from respective institutions have been availed for Audit	resolved	Aug-23
	iv) Omitted Asset in Summary of Fixed Asset Register	The NG-CDF offices valued at Kshs. 750,000 was supported by approved code list	Not resolved	Aug-21

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Peter M Mwaighonda
Fund Account Manager.