

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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THE NATIONAL ASSEMBLY	
DATE: 20 JUL 2023	DAY: WED
TABLED BY:	HON NADMI WADOD, MP Deputy majority whip
CLERK AT THE TABLE:	Finlaye Mwakwi

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – EMBAKASI CENTRAL
CONSTITUENCY**

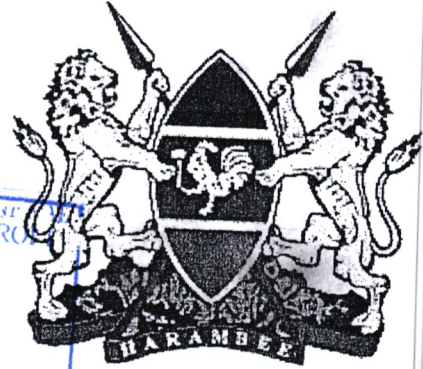
**FOR THE YEAR ENDED
30 JUNE, 2022**



five copy



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 0100, NAIROBI
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23 JUN 2023
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**EMBAKASI CENTRAL CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022**

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

FUND ACCOUNT MANAGER
Sign:
13 SEP 2022
NG-CDF
EMBAKASI CENTRAL CONSTITUENCY
P. O. BOX 651 - 00518, NAIROBI - KENYA

*Received
Joseph
13/09/2022*

Table of Contents

	Page
I. Key Constituency Information and Management	iii
II. NG-CDFC Chairman's Report	vii
III. Statement Of Performance Against Predetermined Objectives for FY2021/22	x
IV. Environmental and Sustainability Reporting	xii
V. Statement of Management Responsibilities	xvi
VI. Report Of the Independent Auditors On The NGCDF- Embakasi Central Constituency	xvii
VII. Statement of Receipts and Payments for the Year Ended 30th June 2022	1
VIII. Statement of Assets and Liabilities As At 30 th June, 2022	2
IX. Statement of Cash Flows for the Year Ended 30th June 2022	3
X. Summary Statement of Appropriation for the Year Ended 30 th June 2022	4
X. Budget Execution by Sectors and Projects for the Year Ended 30 th June 2022	6
XI. Significant Accounting Policies	8
XII. Notes to the Financial Statements	14

- Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	ELIAS MATE
2.	Sub-County Accountant	DENNIS MATHENGE
3.	Chairman NGCDFC	BENARD MWAURA
4.	Member NGCDFC	EUNICE KIRETAI

(d) Fiduciary Oversight Arrangements

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

(e) Embakasi Central Constituency NGCDF Headquarters

P.O. Box 871-00518
NG-CDF Building Kayole
Off Spine Road
Nairobi, KENYA

(f) Embakasi Central Constituency NGCDF Contacts

Telephone: (254) 715070030
E-mail: cdfebakasicentral@cdf.go.ke
Website: www.cdfembakasicentral.go.ke

- i. Komarock South Primary School**
 - ✓ Construction of 32No. 2-storey classrooms, 72 toilet cubicles, 4 Offices, Staffroom and a school hall.
- ii. Bondeni Primary School.**
 - ✓ Construction of Perimeter Wall

Implementation challenges:

Many projects delayed due to the late disbursement of public funds. We hope that this will improve to enable us do the projects in time. The delay in implementing of the projects was due to the delayed disbursement for the project funds.

There is also a challenge in the education sector this is because there are many needy students who are in need of support through the bursary fund which is never enough; this is due to lower middle income economy status within the constituency.

Another challenge is the fact that the society is yet to embrace it as a non-political fund. Separation here becomes an uphill task. A negative attitude towards the fund is also another big challenge to the implementers.

During the public participation wards meetings, the members expressed concern on the restrictive nature of the projects procurement citing that most youth have been left out for lack of capital to start up and maintain businesses hence asked the NGCDFC to assist them. This observation showed that there was need to sensitize the public on NGCDF mandate and functions to enhance youth's participation in development.

A lot of sensitization is necessary to change the community's mind set. It has been our core responsibility to educate the general public on the mandate of NGCDF as well as refer those seeking moral and financial support to relevant partners.

We humbly look forward to working very closely with the National Government Constituencies Development Fund Board with a view to enhancing accountability and efficiency in the management of the fund.

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Environment	Ensure increased access and connection to clean and safe water through,	protecting catchment areas to sustain natural water sources; increase household water connection from 40% to 65% in improve the water supply	Embakasi Central; sensitizing people on the need to follow rules regulating water supply discouraging people from illegally diverting water, encouraging roof catchment of rain water for domestic use; drilling of more boreholes, identify and stop water cartels, putting more pipe and maintain and eventually	Tanks supplied in different schools
Sports	Empower and develop youth and special groups	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme is 37 teams around the constituency
Emergency	Develop an emergency response system that will be in operation during emergencies	Improved emergency response in the constituency	Covid 19 assortments supplied in the constituency	Put emergency equipment place. Have economically empower youths

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. Embakasi Central 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.

• **Market place practices-**

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

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

NGCDF has put in efforts to ensure:

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

- **Community Engagements-**

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

FUND ACCOUNT MANAGER
Sign:.....
13 SEP 2022
Name: **ELIAS MATE**
FAM
EMBAKASI CENTRAL CONSTITUENCY
P.O. BOX 111, 00518, NAIROBI - KENYA

REPUBLIC OF KENYA



Enhancing Accountability

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

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - EMBAKASI CENTRAL CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Embakasi Central Constituency set out on pages 1 to 29, which comprise of the statement of assets and liabilities as at 30 June, 2022, and

Report of the Auditor-General on National Government Constituencies Development Fund - Embakasi Central Constituency for the year ended 30 June, 2022

the statement of receipts and payments, statement of cash flows and the 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 - Embakasi Central Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit had various inaccuracies relating to comparative balances for various items as reflected in Notes 17.2 and 17.3 to the financial statements. Further, the statement of receipts and payments reflects acquisition of assets amount of Kshs.249,794 which as disclosed under Note 8 to the financial statements relates to construction of buildings but omitted from Annex 4 – summary of fixed asset register. In addition an amount of Kshs.360,000 in respect of allowances to staff on internship was wrongly charged to use of goods and services.

In the circumstances, the accuracy of the financial statements could not be confirmed.

2. Unsupported Expenditure

The statement of receipts and payments reflects use of goods and services expenditure amounting to Kshs.10,948,956 as disclosed in Note 5 to the financial statements, out of which an amount of Kshs.469,500 was not supported by payment vouchers and any other documentation.

In addition, the statement of receipts and payments reflects compensation of employees amounting to Kshs.4,032,645, however, the employment contracts and recruitment process details of the staff were not provided for audit.

In the circumstances, the accuracy and completeness of the Kshs.469,500 and Kshs.4,032,645 in respect of use of goods and services and compensation of employees respectively could not be confirmed.

3. Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.5,737,830 as disclosed in Note 10A to the financial statements. The bank reconciliation statements reflected unrepresented cheques totalling to Kshs.7,966,308 out of which cheques amounting Kshs.4,402,047 dated between June, 2019 and December, 2021 were stale. Out of this amount, cheques totalling to Kshs.2,755,000 were in respect

of bursary payments. The Management did not provide details on when the cheques were cleared and the status of the stale cheques, an indication that bursary might not have been issued to needy students and the vetting process may be flawed.

In addition, the bank reconciliation statement as at 30 June, 2022 includes an amount of Kshs.16,000 recorded as receipts in cash book not yet recorded in bank statements. However, the transaction was not dated and could not be traced to the cash book.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.5,737,830 could not be confirmed.

4. Irregularities in Emergency Projects Implementation

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.100,313,375 which includes emergency expenditure amounting to Kshs.9,600,790 as disclosed in Note 7 to the financial statements. However, review of the approved project code list for 2021/2022 indicated that the emergency projects had an allocation of Kshs.7,192,207 resulting to over expenditure amount of Kshs.2,408,583 which was not explained or supported. Further, the formal request for the emergency activities was not provided for audit.

In the circumstances, the accuracy of expenditure of Kshs.9,600,790 incurred on emergency projects could not be confirmed.

5. Lack of Ownership Documents

Annex 4 to the financial statements reflects the summary of fixed asset register with a historical cost of Kshs.91,152,437 which includes land and buildings and structures valued at Kshs.58,000,000 and Kshs.32,153,237 respectively. However, the ownership documents pertaining to the land have not been provided for audit.

In the circumstances, the accuracy and ownership of the land valued at Kshs.58,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Embakasi Central Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit 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.

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation for the year ended 30 June, 2022 reflects final expenditure budget and actual on comparable basis totalling to Kshs.187,943,507 and Kshs.180,280,006 respectively, resulting to an under expenditure of Kshs.7,663,501 or 10% of the budget.

The underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Embakasi Central Constituency.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Inaccuracies in Presentation and Disclosure of the Financial Statements

The financial statements presented for audit did not comply with the guidelines on preparation of the financial statements as per the reporting format prescribed by the Public Sector Accounting Standards Board and contained various inconsistencies in presentation and disclosure.

In the circumstances, the financial presentation and disclosure did not comply with the prescribed format.

2. Failure to Constitute a Bursary Committee

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.100,313,375 as disclosed in Note 7 to the financial statements which includes bursary expenditure amounting to Kshs.55,288,800. However, examination of records provided revealed that the the Management did not establish a subcommittee of Education bursary, Mock examinations and Continuous assessment tests whose core mandate is vetting of applicants contrary the provisions of circular No.NG-CDFB/CEO/BOARD CIRCULARS VOL II (021) of 18 June, 2020. Further, in the absence of a Vetting Committee minutes, it could not be ascertained as to how much the successful applicants were awarded and whether it was fair and equitable.

In the circumstances, Management was in breach of procedures in the issuance of bursaries.

3. Failure to Submit Monthly Bank Reconciliation Statements for Audit

During the financial year 2021/2022 the Fund Management did not submit monthly bank reconciliation statements for audit contrary to Section 90(1) of the Public Finance Management Act, 2012.

Management was in breach of the law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, 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 overall 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 June, 2023

Report of the Auditor-General on National Government Constituency Fund - Embakasi Central Constituency for the year ended 30 June, 2022

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

VII. Statement of Receipts and Payments for the Year Ended 30th June 2022

	Note	2021-2022	2020-2021
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	170,494,588	171,125,224
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	142,185
TOTAL RECEIPTS		170,494,588	171,267,409
PAYMENTS			
Compensation of employees	4	4,032,645	4,071,346
Use of goods and services	5	10,948,956	8,581,654
Transfers to Other Government Units	6	64,735,237	77,586,608
Other grants and transfers	7	100,313,375	73,817,133
Acquisition of Assets	8	249,794	6,573,277
Other Payments	9	-	-
TOTAL PAYMENTS		180,280,007	170,630,018
SURPLUS/DEFICIT		(9,785,419)	637,391

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

The Constituency financial statements were approved on _____ 2022 and signed by:

FUND ACCOUNT MANAGER
 Sign: _____
 13 SEP 2022
Fund Account Manager
NG-CDF
Name: ELIAS MATE
 P.O. BOX 871 - 00518, NAIROBI

National Sub-County Accountant
Name: DENNIS MATHENGE
ICPAK M/No: 14373

Chairman NG-CDF Committee
Name: BENARD MWAURA

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

VIII. Statement of Assets and Liabilities As At 30th June, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	5,737,830	15,523,249
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		5,737,830	15,523,249
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		5,737,830	15,523,249
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		5,737,830	15,523,249
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	15,523,249	14,885,857
Prior year adjustments	14	-	
Surplus/Defict for the year		(9,785,419)	637,391
NET FINANCIAL POSITION		5,737,830	15,523,249

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

The Constituency financial statements were approved on _____ 2022 and signed by:

FUND ACCOUNT MANAGER
 Sign: _____
 13 SEP 2022
FUND ACCOUNT MANAGER
EMBAKASI CENTRAL CONSTITUENCY
Name: ELIAS MATE

National Sub-County
Accountant
Name: DENNIS MATHENGE
ICPAK M/No: 14373

Chairman NG-CDF Committee
Name: BENARD MWAURA

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

IX. Statement of Cash Flows for the Year Ended Both June 2022

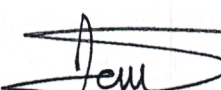
		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	170,494,588	171,125,224
Other Receipts	3	-	142,185
		170,494,588	171,267,409
Payments for operating activities			
Compensation of Employees	4	4,032,645	4,071,346
Use of goods and services	5	10,948,956	8,581,654
Transfers to Other Government Units	6	64,735,237	77,586,608
Other grants and transfers	7	100,313,375	73,817,133
Other Payments	9	-	-
		180,030,213	164,056,741
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(9,535,625)	7,210,668
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(249,794)	(6,573,277)
Net cash flows from Investing Activities		(249,794)	(6,573,277)
NET INCREASE IN CASH AND CASH EQUIVALENT		(9,785,419)	637,391
Cash and cash equivalent at BEGINNING of the year	10	15,523,249	14,885,857
Cash and cash equivalent at END of the year		5,737,830	15,523,249

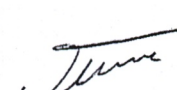
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on _____ 2022 and signed by:

Sign:.....

FUND ACCOUNT MANAGER
EMBAKASI CENTRAL CONSTITUENCY
PO BOX 10000 NAIROBI - KENYA
Fund Account Manager
Name: ELIAS MATE


National Sub-County
Accountant
Name: DENNIS MATE
ICPAK M/No: 14373


Chairman NG-CDF Committee
Name: BENARD MWAURA

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

X. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	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							99%
Transfers from CDF Board	137,088,879	15,523,249	35,331,378	187,943,507	186,017,837	1,925,670	
Proceeds from Sale of Assets				-		-	100.0%
Other Receipts(sale of tender documents)							99.0%
TOTAL RECEIPTS	137,088,879	15,523,249	35,331,378	187,943,507	186,017,837	1,925,670	
PAYMENTS							90.1%
Compensation of Employees	2,223,411	2,253,870	-	4,477,281	4,032,645	444,636	87.3%
Use of goods and services	10,114,588	2,475,543	-	12,590,131	10,948,956	1,641,175	100.0%
Transfers to Other Government Units	49,094,010	5,761,226	9,880,000	64,735,236	64,735,236	-	98.7%
Other grants and transfers	75,656,870	559,831	25,451,379	101,668,080	100,313,375	1,354,705	5.9%
Acquisition of Assets		4,250,594		4,250,594	249,794	4,000,800	0.0%
Other Payments		80,000		80,000		80,000	0.0%
Un Approved AIA		142,185		142,185		142,185	
TOTAL	137,088,879	15,523,249	35,331,379	187,943,507	180,280,006	7,663,501	90.8%

***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.

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

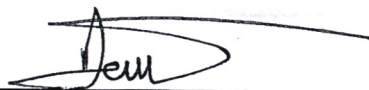
(b) The office was incomplete so the project will be implemented by December 2022


(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or 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.

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	7,663,501
Less undisbursed funds receivable from the Board as at 30 th June 2022	1,925,670
	5,737,830
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	5,737,830

FUND ACCOUNT MANAGER
 The Constituency financial statements were approved on _____ 2022 and signed by:
 Sign: 13 SEP 2022
Fund Account Manager
 EMBAKASI CENTRAL CONSTITUENCY
 P.O. BOX 221, 00518 NAIROBI - KENYA
 Name: **ELIAS MATE**


National Sub-County Accountant
 Name: DENNIS MATHENGE
 ICPAK M/No: 14373


Chairman NG-CDF Committee
 Name: BENARD MWAURA

*EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget		Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilisation (f=d/c)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022		2021/2022	2021/2022	2021/2022	2021/2022	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
Compensation of employees	2,223,411	2,253,870	-	4,477,282	4,032,645	444,637	90
Goods and Services	4,753,922			4,753,922	4,619,184	134,738	97
Committee Expenses	1,248,000	1,280,742		2,528,742	1,812,415	716,327	72
Sub-Total	8,225,333	3,534,612	-	11,759,946	10,464,244	1,295,702	89
2.0 Monitoring and Evaluation							
Goods and Services	912,666			912,666	864,900	47,766	95
Committee Expenses	1,200,000			1,200,000	1,053,785	146,215	88
Capacity Building of NG-CDFs/PMCs	2,000,000	1,194,800		3,194,800	2,598,672	596,128	81
Sub-Total	4,112,666	1,194,800	-	5,307,467	4,517,357	790,110	85
3.0 Emergency							
Emergency	7,192,207	259,666	2,240,334	9,692,207	9,600,790	91,417	99
Emergencies				-	-	-	-
Sub-Total	7,192,207	259,666	2,240,334	9,692,207	9,600,790	91,417	99
4.0 Bursary and Social Security Programme							
Bursary Secondary Schools	30,000,000		6,111,938	36,111,938	35,804,500	307,438	99
Bursary Tertiary Schools	17,981,108		1,649,107	19,630,215	19,484,300	145,915	99
Bursary Special Schools				-	-	-	-
Social Security Programmes -NHIF				-	-	-	-
Sub-Total	47,981,108	-	7,761,045	55,742,153	55,288,800	453,353	99
5.0 Sports							
Constituency Sports Tournament	2,741,778	3,178		2,744,955	2,736,400	8,555	100
	2,741,778	3,178		2,744,955	2,736,400	8,555	100

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

6.0 Environment				-		-	-
Constituency Environmental activities	2,741,777	295,971		3,037,748	2,738,760	298,988	90
Sub-Total	2,741,777	295,971		3,037,748	2,738,760	298,988	90
7.0 Primary School Projects				-		-	-
Kayole North Primary.				-		-	-
Komarock Primary School.			9,880,000	9,880,000	9,880,000	-	100
Komarock South Primary School	31,990,178	5,761,226		37,751,404	37,751,405	(1)	100
Bondeni primary school	17,103,832			17,103,832	17,103,832	-	100
Sub-Total	49,094,010	5,761,226	9,880,000	64,735,236	64,735,237	(1)	100
8.0 Security Projects				-		-	-
Kayole Chief's Camp		1,017		1,017		1,017	-
Kayole Police Station	5,000,000		10,450,000	15,450,000	15,450,000	-	100
Deputy County Commissioner's Office	5,000,000		5,000,000.00	10,000,000	9,498,625	501,375	95
Komarock chiefs office	5,000,000			5,000,000	5,000,000	-	100
Sub-Total	15,000,000	1,017	15,450,000	30,451,017	29,948,625	502,392	98
9.0 Acquisitions of Assets				-		-	-
NG- CDF office		4,250,594		4,250,594	249,793.50	4,000,800	6
10.0 Others				-		-	-
Strategic Plan		80,000		80,000		80,000	-
				-		-	-
Sub-Total		80,000		80,000		80,000	-
							-
11.0 Un Approved AIA		142,185		142,185		142,185	-
GRAND TOTAL	137,088,879	15,523,249	35,331,379	187,943,507	180,280,007	7,663,501	96

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

XI. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

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

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

*EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

XII. Notes to the Financial Statements

1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES

Description		2021-2022	2020 - 2021
		Kshs	Kshs
	AIE NO. B 005108		28,000,000
1330407	Normal Allocation AIE NO. B 030184		40,225,224
			9,000,000
			12,000,000
			15,000,000
			6,900,000
			8,000,000
			21,000,000
			16,000,000
			15,000,000
	B140805	1,142,500	
	B140868	32,263,209	
	B105425	68,000,000	
	B105973	10,000,000	
	B132477	16,000,000	
	B128791	26,000,000	
	B154391	17,088,879	
1330408	Conditional Grants AIE NO...		
1330409	Receipt from other Constituency		
	TOTAL	170,494,588	171,125,224
2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS			
Description		2021-2022	2020 - 2021
		Kshs	Kshs
3510202	Receipts from the Sale of Buildings		-
3510601	Receipts from the Sale of Vehicles and Transport Equipment		-
3510801	Receipts from the Sale Plant Machinery and Equipment		-

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

30.	Receipts from the Sale of Office and General Equipment			-
	TOTAL			-
000	3 OTHER RECEIPTS			
	Description		2021-2022	2020 - 2021
			Kshs	Kshs
0107	Interest Received			-
0405	Rents			-
501	Receipts Sale of Tender Documents		-	-
	Hire of plant/equipment/facilities		-	-
	Unutilized funds from PMCs			142,185
0207	Other Receipts Not Classified Elsewhere (specify)		-	-
	TOTAL		-	142,185
0000	4 COMPENSATION OF EMPLOYEES			
	Description		2021-2022	2020 - 2021
			Kshs	Kshs
201	NG-CDFC Basic staff salaries		3,044,820.00	2,778,809
	Personal allowances paid as part of salary			
301	House allowance		-	-
314	Transport allowance		-	-
320	Leave allowance			-
120	Gratuity-contractual employees		949,425.00	1,264,137
	Employer Contributions			
101	Compulsory national social security schemes		38,400.00	28,400
	TOTAL		4,032,645.00	4,071,346
0000	5 USE OF GOODS AND SERVICES			
	Description		2021-2022	2020 - 2021
			Kshs	Kshs
0100	Utilities, supplies and services		-	2,800,000
101	Electricity		-	
0102	Water & sewerage charges		-	
104	Office rent		-	
0200	Communication, supplies and services		-	
300	Domestic travel and subsistence		480,000.00	
500	Printing, advertising and information		-	135,968

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

	supplies & services			
2210600	Rentals of produced assets			
2210700	Training expenses		3,787,087.00	2,462,800
2210800	Hospitality supplies and services		100,000.00	
2210802	Other committee expenses		1,053,785.00	889,000
2210809	Committee allowance		624,000.00	1,330,000
2210900	Insurance costs		-	
2211000	Specialised materials and services		-	
2211100	Office and general supplies and services		3,700,000.00	434,100
2211200	Fuel , oil & lubricants		-	
2211300	Other operating expenses		864,900.00	372,500
2211301	Bank service commission and charges		339,184.00	157,286
2211310	Other Operating Expenses			
2211313	Security operations			
2220100	Routine maintenance - vehicles and other transport equipment			
2220200	Routine maintenance- other assets			
	TOTAL		10,948,956.00	8,581,654
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2021-2022	2020 - 2021
			Kshs	Kshs
2630204	Transfers to Primary Schools		64,735,237	77,586,608
2630205	Transfers to Secondary Schools		-	-
2630206	Transfers to Tertiary Institutions		-	
	TOTAL		64,735,237	77,586,608
2640000	7 OTHER GRANTS AND OTHER PAYMENTS			
	Description		2021-2022	2020 - 2021
			Kshs	Kshs
2640101	Bursary - Secondary (see attached list)		-	-
2640102	Bursary -Tertiary (see attached list)		55,288,800.00	42,791,000
2640104	Bursary- Special Schools		-	14,940,000
2640105	Mocks & CAT (see attached list)		-	-
	Social Security programmes (NHIF)		-	
2640507	Security Projects (see attached list)		29,948,625.00	115,935

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

050	Sports Projects (see attached list)		2,736,400.00	2,738,600
0510	Environment Projects (see attached list)		2,738,760.00	2,602,393
200	Emergency Projects (see attached list)		9,600,790.00	10,629,205
	TOTAL		100,313,375.00	73,817,133

0000 8 ACQUISITION OF ASSETS

Non Financial Assets		2021-2022	2020 - 2021
		Kshs	Kshs
102	Purchase of Buildings		5,574,077
0202	Construction of Buildings	249,794	-
0302	Refurbishment of Buildings	-	-
0701	Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
0704	Purchase of Bicycles & Motorcycles	-	-
301	Overhaul of Vehicles and Other Transport Equipment	-	-
	Purchase of Household Furniture and Institutional Equipment		
	Purchase of office furniture and and General Equipment	-	-
	Purchase of computers ,printers and other IT equipments	-	999,200
	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	249,794	6,573,277

9 Other Payments

1310	Strategic Plan	-	-
311	ICT Hubs	-	-
	TOTAL	-	-

10A: Bank Balances (cash book bank balance)

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
FAMILY BANK LIMITED,EMBAKASI CENTRAL NG-CDF	A/C no.061000032809	5,737,830	15,523,249
		-	-
		-	-
TOTAL		5,737,830	15,523,249

10B: CASH IN HAND)

	2021-2022	2020 - 2021
	Kshs (30/6/2022)	Kshs (30/6/2021)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

[Provide cash count certificates for each]

11: OUTSTANDING IMPRESTS

Name of Officer	Date imprest taken	Amount Taken Kshs	Amount Surrendered Kshs	Balan (30/6/20...) K
		-	-	
		-	-	
		-	-	
TOTAL		-	-	

12A Retention

	2021-2022	2020-2021
	KShs	KShs

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Retention as at 1st July (A)			-	-
Retention held during the year (B)			-	-
Retention paid during the Year (C)			-	-
Closing Retention as at 30th June D= A+B-C			-	-
12 B Gratuity				
			2021-2022	2020-2021
			KShs	KShs
Gratuity as at 1 st July (A)			-	-
Gratuity held during the year (B)			-	-
Gratuity paid during the Year (C)			-	-
Closing Gratuity as at 30 th June D= A+B-C			-	-

13 BALANCES BROUGHT FORWARD

			2021-2022	2020- 2021
			Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts			15,523,249	14,885,857
Cash in hand				
Imprest				
TOTAL			15,523,249	14,885,857

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

			Balance b/f FY 2020/2021 as per Audited Financial statements	Adjusments	Adjusted Balance** b/f FY 2020/2021
Description of the error			Kshs	Kshs	Kshs
Bank accounts balances			-	-	
Cash in hand			-	-	
Accounts Payable			-	-	
Receivables			-	-	
Others (specify)			-	-	
Total			-	-	-

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

***The adjusted balances are not carried down on the face of the financial statement.*

(Entity to provide disclosure on the adjusted amounts)

Clarification note included

15. CHANGES IN ACCOUNTS RECEIVABLE - OUTSTANDING IMPREST

	2021-2022	2020- 2021
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	
Imprest issued during the year (B)	-	3,507,300
Imprest surrendered during the Year (C)	-	3,507,300
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	-	-
Net changes in accounts receivables A-D	-	-

16. CHANGES IN ACCOUNTS PAYABLE - DEPOSITS AND RETENTION

	2020- 2021	2019- 2020
	Kshs	Kshs
Deposits and Retention as a t 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-
Net changes in accounts payables A-D	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2021-2022	2020- 2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
TOTAL	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

EMBAKASI CENTRAL Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2022**

	2021-2022	2020- 2021
	Kshs	Kshs
NGCDF Staff	-	-
Others (specify)	-	-
17.3: UNUTILISED FUNDS (See Annex 3)		
	2021-2022	2020- 2021
	Kshs	Kshs
Compensation of employees	444,636	1,753,870
Use of goods and services	1,641,175	1,280,742
Amounts due to other Government entities (see attached list)	-	12,641,227
Amounts due to other grants and other transfers (see attached list)	1,354,705	31,611,297
Acquisition of assets	4,000,800	3,345,306.10
Others (<i>specify</i>)	80,000	80,000
Funds pending approval	142,185	142,185.10
	7,663,501	50,854,628
17.4: PMC ACCOUNT BALANCES (See Annex 4)		
	2021-2022	2020- 2021
	Kshs	Kshs
PMC account balances (see attached list)	7,454,919	251,107
	7,454,919	251,107

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
Construction of buildings	-	-	-	-	
1.	-	-	-	-	
2.	-	-	-	-	
3.	-	-	-	-	
Sub-Total	-	-	-	-	
Construction of civil works	-	-	-	-	
4.	-	-	-	-	
5.	-	-	-	-	
6.	-	-	-	-	
Sub-Total	-	-	-	-	
Supply of goods	-	-	-	-	
7.	-	-	-	-	
8.	-	-	-	-	
9.	-	-	-	-	
Sub-Total	-	-	-	-	
Supply of services	-	-	-	-	
10.	-	-	-	-	
Sub-Total	-	-	-	-	
Grand Total	-	-	-	-	

Annex 2 - Analysis of Pending Staff Payables

**EMBAKASI CENTRAL Constituency
 National Government Constituencies Development Fund (NGCDF)
 Annual Report and Financial Statements for The Year Ended June 30, 2022**

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.	-	-	-	-
2.	-	-	-	-
3.	-	-	-	-
Sub-Total				
Grand Total				

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022
Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
Compensation of employees		444,636	1,753,870	
Use of goods & services		1,641,175	1,280,742	
Amounts due to other Government entities			6,880,000	
			5,761,227	
Sub-Total		2,085,811	12,641,227	
Amounts due to other grants and other transfers				
Bursary		453,353	10,173,601	
Emergency		91,417	4,623,972	
Constituency sports tournament		8,555	1,066,737	
Constituency Environmental activities		298,988	295,971	
Kayole Chief's Camp		1,017	1,017	
Kayole Police Station			10,450,000	
Deputy County Commissioner's Office		501,375	5,000,000	
Sub-Total		3,440,516	31,611,297	
Acquisition of assets				
Embakasi Central NG-CDF Office		4,000,800	3,345,306	
Others (<i>specify</i>)				
Strategic Plan		80,000	80,000	
Sub-Total		7,521,316	3,425,306	
Funds pending approval		142,185	142,185	
Grand Total		7,663,501	50,854,628	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs)			(Kshs)
	2020/2021			2021/2022
Land	58,000,000			58,000,000
Buildings and structures	32,153,237			32,153,237
Transport equipment	-			-
Office equipment, furniture and fittings	999,200			999,200
ICT Equipment, Software and Other ICT Assets	-			-
Other Machinery and Equipment	-			-
Heritage and cultural assets	-			-
Intangible assets	-			-
Total	91,152,437			91,152,437

*EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number	Bank Balance	Bank Balance
			2021/2022	2020/2021
BONDENI PRIMARY SCHOOL	FAMILY-KAYOLE	061000032864	-	10,444
KAYOLE NORTH PRIMARY SCHOOL	FAMILY-KAYOLE	061000032863		110,149
IMARA PRIMARY SCHOOL	FAMILY-KAYOLE	061000032865		380
MWANGAZA PRIMARY SCHOOL	FAMILY-KAYOLE	061000033419		10,854
KOMAROCK PRIMARY SCHOOL	FAMILY-KAYOLE	061000034090		2,229
KAYOLE CHIEFS CAMP	FAMILY-KAYOLE	061000034163		191
KAYOLE NORTH PRIMARY SCHOOL ACC B	FAMILY-KAYOLE	061000034091		103,442
KAYOLE SOUTH SECONDARY SCHOOL	FAMILY-KAYOLE	061000034092		13,417
THE KOMAROCK SCHOOL PERIMETER WALL PMC	FAMILY-KAYOLE	061000035595		1
KOMAROCK SOUTH PRIMARY	EQUITY BANK	0650280366750	6,641,517	
BONDENI PRIMARY SCHOOL PERIMETER	FAMILY-KAYOLE	061000038976	812,848	
KOMAROCK PRIMARY PERIMETER	FAMILY-KAYOLE	061000038040	554	
Total			7,454,919	251,107

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	The statement of receipts and payments reflects use of goods and services totalling to Kshs.8,369,795. However, payment vouchers amounting to Kshs.800,000 were not provided. In the circumstances, the accuracy, completeness and validity of the unsupported payments totalling to Kshs.800,000 and balances totalling to Kshs.5,534,090 reflected in the financial statements for the year ended 30 June, 2020 could not be confirmed.	The transfer to other Government variance of ksh. 5,738,993.45 was reallocation of funds from emergency vote to Bondeni Primary school PMC. Attached find the supporting documents for the reallocation of the funds. Annex 1 The other positive balances are as a result of votebook balances brought forward from the prior years. The documents supporting Ksh. 847,289 is attached in annex 2.	NOT RESOLVED	
2	The statement of assets and liabilities reflects bank balances amounting to Kshs.14,885,857. However, the Board of Survey Certificate reflected an amount of Kshs.15,419,857, resulting to an unexplained variance amounting to Kshs.534,000.	It is true that there was a difference of Ksh. 534,000 as at 30 th June 2020 which was outstanding imprest as at that date. This has since been reflected in the amended financial statements.	NOT RESOLVED	
3	Annex 4 to the financial statements on summary of fixed assets register reflects a historical amount of Kshs.84,597,160 which included an amount of	It is true a comprehensive fixed asset register was not availed for audit. However, the updated asset register has	NOT RESOLVED	

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

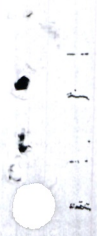
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Kshs.58,000,000 paid for acquisition of land in the year 2016/2017. However, the title deed and evidence of land rates paid was not provided. Further, Annex 4 reflects comparative historical balance in 2019/2020 totalling to Kshs.84,597,160 instead of the 2018/2019 closing balance totalling to Kshs.70,196,229. The historical cost is reflected as 2019/2019 instead 2019/2020.	been provided as attached in Annex 10		
4.	Management awarded a tender for the renovation of a classroom, an administration block and a toilet at Bondeni Primary School to a contractor at a contract sum of Kshs.15,932,426. However, signed tender opening documents, copies of advertisement, appointment letters for the Tender Opening Committee, contract, evidence of engagement of relevant Government Ministries, minutes of Evaluation Committee, signed professional opinion, evidence that the contractor was in the register of contractors maintained by the National Construction Authority were not provided. In the circumstances, the accuracy, completeness and validity of the contract sum of Kshs.15,932,426 could not be confirmed	It is true that the file had been misplaced and was retrieved from the PMC albeit much later in the audit exercise. The project Manager is from Nairobi County who are still under the Ministry of Public Works since devolution, thus they are mandated to oversee any projects implemented by the government, both National and County projects, within Nairobi County. The project file has been availed for audit under Annex 13 .	NOT RESOLVED	
5	The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis totalling to Kshs.198,111,508 and Kshs.128,743,784	It is true that the summary statement of appropriation; recurrent and development combined shows an adjustment of Kshs. 60,743,784 which	NOT RESOLVED	

EMBAKASI CENTRAL Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Reference No on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>respectively, resulting to an under-funding amounting to Kshs.69,365,724 or 35% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.198,111,508 and Kshs.113,857,926 respectively, resulting to an under expenditure amounting to Kshs.84,253,581 or 43% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public</p>	<p>were the funds not utilized during the last financial year (2018/2019) as per the attached schedule leading to a final budget of Kshs. 198,111,508.</p>		

JHW:

.....
 Name ELIAS MATE
 Fund Account Manager.
 Sign:.....
 13 SEP 2022
 NG-CDF
 EMBAKASI CENTRAL CONSTITUENCY
 P. O. BOX 871 - 00518, NAIROBI - KENYA



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