

REPUBLIC OF KENYA



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REPORT

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THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 05 MAR 2025	DAY: Wednesday
TABLED BY: ON	Hon. David Baya, MP Deputy Leader of Majority
CLERK-AT-THE-TABLE:	Kesther Njirya

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

**FOR THE YEAR ENDED
30 JUNE, 2024**



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

NAVAKHOLO 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 Navakholo 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	Thomas Ontweka
2.	National Sub-County Accountant	Roselyne Kolwa
3.	Chairman NGCDFC	Kennedy Barasa
4.	Member NGCDFC	Hellen Nanjakululu

(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 Navakholo 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 Navakholo Constituency Headquarters

P.O. Box 14-50127
NGCDFC Building
Navakholo – Muhuni – Chebuyusi Road
Nambacha KENYA.

(f) NGCDF Navakholo Constituency Contacts

Telephone: (254) 722288499
E-mail: cdfnavakholo@ngcdf.go.ke
Website: ngcdf.go.ke

(g) NGCDF Navakholo Constituency Bankers

1. Navakholo National government Constituency Development Fund
Account Number: 0500279912889
Equity Bank Kakamega Branch.
P.O. Box 2512 - 50100
Kakamega.

2. Navakholo National government Constituency Development Fund
Account Number: 0500285390784
Equity Bank Kakamega Branch
P.O. Box 2512 - 50100
Kakamega.

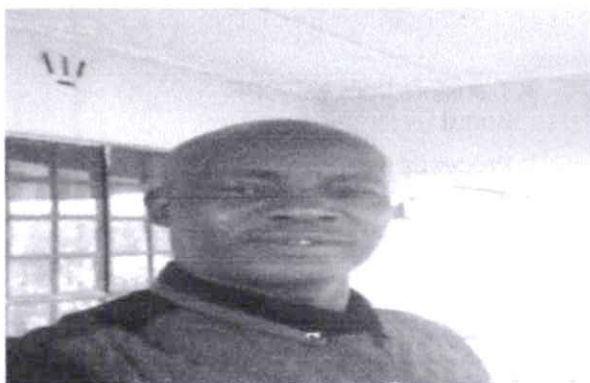
(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



Mr. Kennedy Barasa Ngao – NGCDFC Chairman, Navakholo Constituency

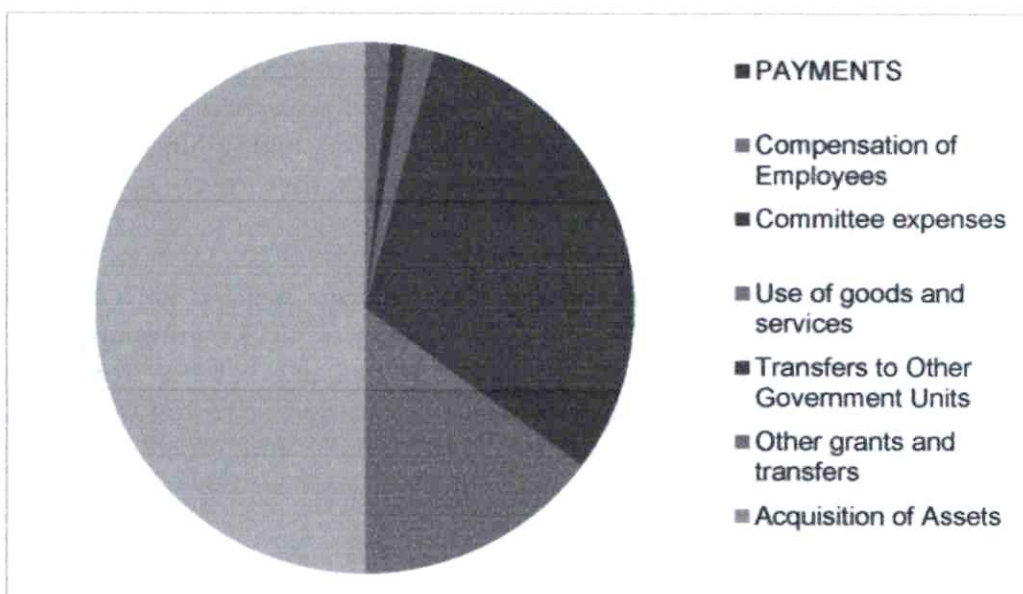
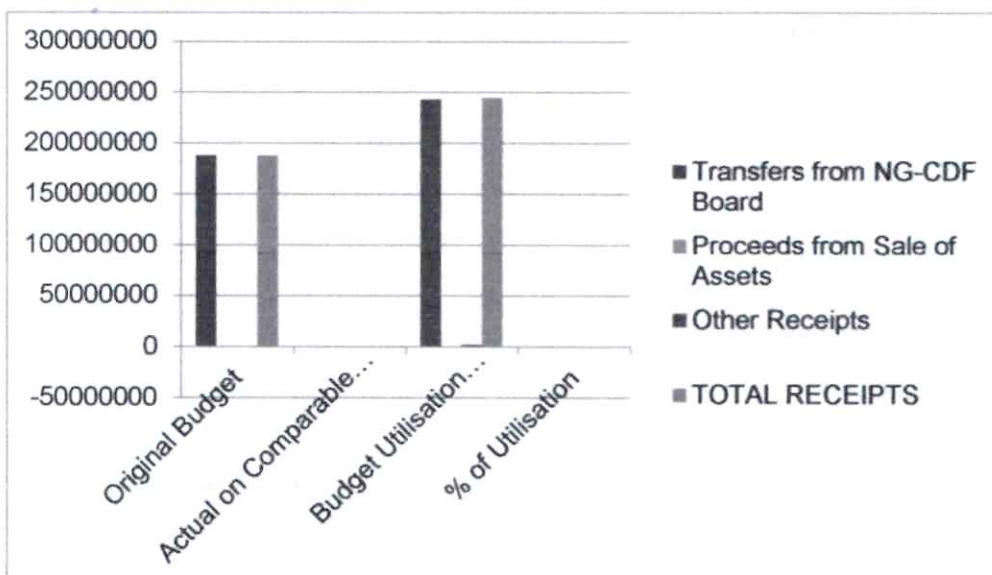
I am pleased to present to you the annual report and financial statement for the year ended 30th June 2024. The financial statements set out below were prepared on cash basis of accounting regulated by the international public sector accounting standards.

Navakholo NG-CDF aspires to be the best constituency in utilization of NGCDF funds through satisfying the community needs and promoting good governance in management of the fund. The establishment of the fund was centred on channelling funds to grass root communities by enabling them to implement projects on their own and of course identifying them through public participation.

The budget for the current year was allocated across various sectors, with a focus on improving infrastructure, education, Climate change mitigation and community welfare. The total budget allocation was KES 253,898,334.00 and opening balance from fy 2022-2023 of KES 11,227,038.00 with actual expenditures amounting to KES 184,005,210.00 This year, the NG-CDF Navakholo Constituency successfully implemented numerous projects across various sectors. The following highlights some of our key achievements

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
Transfers from NG-CDF Board	253,898,334	212,983,019	40,915,315	84
Other Receipts	1,657,412	1,657,412.00	0	100
TOTAL RECEIPTS	255,555,746	214,640,431	40,915,315	84

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

The NGCDF -Navakholo was able to fund the various projects as listed below:



Chekata Primary School – construction of 5no. Classrooms under emergency funds in Bunyala West Ward, complete and handed over



Purchase of 46-seater school bus at Ingotse Boys High School



KMTC Navakholo – Construction of Storey building of 12 lecture halls in Bunyala Central Ward, complete and handed over

The committee is looking forward to prioritize all ongoing projects in the next financial year and allocated funds adequately to new projects.

During management of the fund, we have had challenges as follows:

- ✓ The constituents heavily depend on bursary kitty for the education of their children. This overdependence might compromise the committee's integrity. However, to solve such, we have Sub Locational Bursary Sub Committees that vet bursary applications and forward their findings to the Bursary Sub Committee before award to beneficiaries.
- ✓ Political interference is another challenge in the management of the kitty. Some constituents are always negative because of political dynamics. We always encourage the use of Complaints/suggestion box so that it is official.

National Government Constituencies Development Fund (NGCDF)
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- ✓ Decision making is tricky in the committee meetings. This is because each of the members has a particular interest for their ward. Through NG-CDFC trainings, the members are aware that they represent the entire constituency and not a ward. Should there be a problem, it will be for the whole constituency. Hence teamwork.
- ✓ Slow pace at which the NG-CDF Board releases funds to constituencies is another very serious challenge. Although this is based on collections from the taxes, it is affecting project implementation. The NG-CDF Board released about half of the allocation two weeks to closure of financial year. Other constituencies are yet to receive all their funds for the just ended financial year. The NG-CDF Act 2015 should be followed to ensure disbursements are timely.



Mr. Kennedy Barasa Ngao
CHAIRMAN NGCDF COMMITTEE
NAVAKHOLO NGCDFC

4. Statement of Performance against Predetermined Objectives for FY 2024/25

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-Navakholo Constituency 2023-2027* plan are to:

(Enumerate the key objectives of the constituency as per the Strategic Plan)

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	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	In FY 2023/24 -6 Primary Schools have been constructed 24 complete classrooms and constructed to completion - 4500 bursary applicants were awarded in secondary schools, 1800 bursary applicants were awarded in tertiary and universities and 40 bursary applicants

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				were awarded in special schools
<i>Security</i>	<i>Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery</i>	<i>- Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery Improved security in the community</i>	<i>- Number of new physical facilities for police officers - Number of new physical facilities for security administrators – DCC, ACCs, Chiefs etc.</i>	<i>We constructed 7 units staffs houses at Lusumu Police Post</i>
<i>Environment</i>	<i>To keep the learners learning environment conducive</i>	<i>Increased number of toiletries in schools</i>	<i>Number of tree seedlings to primary schools and secondary schools</i>	<i>Yet to be done</i>
<i>Emergency</i>	<i>To cater for emergency arising issues</i>	<i>Improved infrastructure in 2 schools</i>	<i>Number of usable physical infrastructure build in primary</i>	<i>In the 2023/2024 FY we constructed 5no classrooms in Chekata Primary School and pit latrines in two institutions</i>

5. Governance Statement

a. NG-CDFC process of appointment

Section 43(1), (2), (3) and (4) of the National Government Constituencies Development Fund (NG-CDF) Act state that:

There is established a National Government Constituency Development Fund Committee for every constituency.

1. Constituency Committee Shall comprise of;

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

2. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, 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 gazettelement by the board.

The current NGCDFC members were gazetted on 16th December 2022 and the first meeting was held on 6th February, 2023.

The persons appointed are drawn from different groupings as follows:

- Male Adult – Kennedy Ngao Barasa - Chairman

- Male youth –Antony Makuto Siminyu - Member
- Female adult – Hellen Namwaya Nanjakululu - Secretary
- Female youth – Juliet Andayi Ofwera - Member
- PWD REP – Annah Mwenyekombo - Member
- Co-opted Member – Bilali Akhonya - Member
- Nominee of Constituency Office – Chrispino Ndombi Makokha - Member
- Nominee of constituency Office - Catherine Mina Mudogo - Member

b. NG-CDFC Tenure

The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

c. The Role of the Constituency Committee

The CDFC plays a crucial role in managing the NGCDF at the constituency level. It identifies, approves, and monitors projects that align with national priorities and local needs. The committee ensures efficient fund management, timely project implementation, and transparent reporting. Additionally, the CDFC engages with the community to seek input and ensure compliance with relevant laws and regulations.

d. Removal of a member

The CDFC can remove a member for gross misconduct, incompetence, physical or mental incapacity, conflict of interest, conviction of a criminal offense, or absenteeism. The removal process involves a petition, notification, a hearing, and a decision by two-thirds of the members.

e. NG-CDFC Induction and training

A comprehensive training program for the National Government Constituencies Development Fund Committee (NGCDFC) members from the Western Region was held from 13th May, 2024 to 17th May 2024 at Tom Mboya Labour College in Kisumu. This training aimed to equip committee members with the necessary knowledge and skills to perform their roles effectively.

Key Aspects of the Training:

- **Overview of the NGCDF Act:** Understanding the legal framework and the evolution of the NGCDF, including the roles and responsibilities of committee members.
- **Project Planning and Public Participation:** Emphasized effective planning, budgeting, and the importance of engaging the public in decision-making processes.
- **Governance and Integrity:** Covered essential aspects of good governance, anti-corruption measures, and adherence to the Public Procurement and Asset Disposal Act 2015 and its regulations.
- **Risk Management and Audit:** Focused on identifying and managing risks within the NGCDF operations, with an emphasis on transparency and accountability.
- **Technical Aspects of Project Management:** Provided insights into the phases of project execution, from initiation to completion, including monitoring and evaluation.

This training was crucial in ensuring that all NGCDFC members are well-prepared to carry out their duties in alignment with national policies and standards.

f. **Number of meetings;**

NG-CDF Act Section 43(11) stipulates that the Constituency Committee shall meet at least six times in a year but shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

In Navakholo Constituency, the NG-CDF Committee conducted 12 meetings and 6 sub-committee meetings.

No.	Name of committee member	Meetings held											
		06/07/23	25/08/23	12/09/23	06/10/23	14/11/23	08/12/23	01/01/24	26/02/24	15/03/24	19/04/24	20/05/24	19/06/24
1.	Kennedy Ngao Barasa	√	√	√	√	√	√	√	√	√	√	√	√
2.	Antony Makuto Siminyu	√	√	√	√	√	√	√	√	√	√	√	√
3.	Hellen Namwaya Nanjakululu	√	√	√	√	√	√	√	√	√	√	√	√
4.	Juliet Andayi Ofwera	√	√	√	√	√	√	√	√	√	√	√	√

National Government Constituencies Development Fund (NGCDF)
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5.	Annah Mwenyekombo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6.	Bilali Akhonya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7.	Chispino Ndombi Makokha	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8.	Catherine Mina Mudogo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9.	DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

g. Remuneration Rates

As of the latest review on 25th October 2011, the remuneration rates for the National Government Constituencies Development Fund Committee (NGCDFC) were adjusted through a circular issued by the NGCDF Board (REF: CDF BOARD/MOP/Vol. III(30)I(30)), titled "Adjustment of Constituency Development Fund Committee Sitting Allowance." According to this circular, the sitting allowances for the NGCDFCs are as follows:

Members: KShs 5,000 per meeting

Chairman: KShs 7,000 per meeting

These rates remain the most current remuneration guidelines for the NGCDFCs.

h. Disclose the policy on conflict of interest

The NGCDFC has a strict conflict of interest policy that requires a member to disclose their interests, abstain from participation, and record conflicts. Non-compliance may result in disciplinary action, including removal from the committee. This policy ensures the integrity and transparency of the committee's operations.

i. Succession plan

Vacancies arising as a result of the removal or end of tenure of the member of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of s.

j. Ethics and code of conduct

The NG-CDFC shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record and shall not indulge in any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

k. Risk Management

The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Implementing the operational risk management framework.
- Conducting regular Risk and Control Self-Assessment.
- Monitoring and reporting operational risks.
- Recording and reporting incidents.
- Collecting, analyzing, and reporting Key Risk Indicators.
- Executing the crisis management plan in case of a crisis.
- Ensuring compliance with risk management policies and procedures.
- Implementing improvements to controls to reduce risks.

6. Environmental and Sustainability Reporting

Navakholo NGCDF is committed in conserving the environment through planting of tree seedlings and setting up of projects at grass root level to sensitize Navakholo people on climate change mitigation covering 5 wards within the constituency.

1. Sustainability strategy and profile -

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

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

- b. Security Sector Support:** Among its key pillars; NGCDF- Navakholo 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-Navakholo 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 -Navakholo has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid-19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 23/24 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF Navakholo has allocated part of its budget on environment activities for the purchase and planting of 500 tree seedlings to 2 Primary Schools.

The youth/ community were sensitized on the impact of use drugs where they were informed that the police posts built should be used for culprits of burglary and not those in the chang'aa dens.

Navakholo NG-CDF sponsored sporting activities/ tournament under 2022/2023 FY through the regional coordinator bringing together communities in the 33 constituencies of Western region.

3. Employee welfare

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

Navakholo 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-

Navakholo 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

Navakholo 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.

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



.....
Name: Thomas Moracha Ontweka
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- Navakholo 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-2424 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- 2424 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.

National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024


The Accounting Officer in charge of the NGCDF Navakholo 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- Navakholo Constituency financial statements were approved and signed by the Accounting Officer on 20-11-2024.

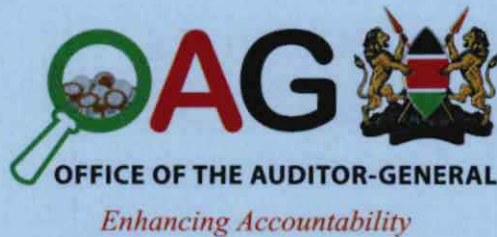
.....
Name: Kennedy Ngao Barasa
Chairman – NGCDF Committee

.....
Name: Thomas Moracha Oweka
Fund Account Manager



REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NAVAKHOLO 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 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 the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 - Navakholo Constituency set out on pages 1 to 50,

which comprise of 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 - Navakholo 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

1. Unsupported Project Management Committee Bank Balances

Annex 3 to the financial statements reflects Project Management Committee (PMC) bank balances amounting to Kshs.47,794,717 as at 30 June, 2024 in respect to thirty-eight (38) bank accounts. However, the bank reconciliation statements, bank statements, cash books and bank confirmation certificates for two (2) PMC bank accounts amounting to Kshs.6,400,466 were not provided for audit review.

In the circumstances, the accuracy and completeness of the PMC bank balances totaling Kshs.6,400,466 could not be confirmed.

2. Unsupported Bursary Disbursements

The statement of receipts and payments and Note 7 to the financial statements reflect other grants and transfers amounting to Kshs.52,633,274 which includes Kshs.12,694,019, Kshs.18,346,400 and Kshs.150,000 in respect to bursary payments to secondary schools, tertiary institutions and special schools respectively. However, bursary payments amounting to Kshs.425,125 and Kshs.396,550 in relation to tertiary institutions and secondary schools respectively were not supported by acknowledgment receipts.

In the circumstances, the accuracy and completeness of the bursary disbursements amounting to Kshs.821,675 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual amounts on comparable basis of Kshs.255,555,746 and Kshs.214,640,431 respectively, resulting to under-funding of Kshs.40,915,315 or 16% of the budget. Similarly, the statement reflects an approved expenditure budget of Kshs.255,555,746 and actual total expenditure of Kshs.184,005,210 resulting to under-expenditure of Kshs.71,550,536 or 28% of the budget.

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

My Opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit of the previous year, several issues were reported under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not resolved the issues or given reasons for the delay in resolving the issues.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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. Project Implementation Status

During the year under review, the Fund had planned to implement forty-two (42) projects at a total cost of Kshs.119,514,699. However, out of these projects, seven (7) or 17% of the projects costing Kshs.13,443,766 had not started, while twenty-two (22) or 52% of the projects costing Kshs.86,399,999 were ongoing and only thirteen (13) or 31 % of the projects costing Kshs.19,670,934 had been completed.

In the circumstances, value for money was not obtained from the seven (7) projects that had not started and twenty-two (22) projects that were ongoing.

2. Delayed Implementation of Projects

2.1. Construction of Classrooms and Staffroom at Musabale Primary School Project

During the year under review, Management awarded a local contractor a contract for the construction of four (4) classrooms and a staffroom/office at Musabale Primary School, at a contract sum of Kshs.5,365,979. The project was to be completed within sixteen (16) weeks from contract signing date of 18 October, 2023.

However, field inspection conducted on 20 November, 2024 revealed that the project had stalled with contractor not on site and window panes not fixed, floor not cemented and inside and outside walls not plastered. Further, evidence of contract extension was not provided for audit review. A payment of Kshs.2,147,291 or 40% of the contract sum was already made to the contractor.

In the circumstances, value for money was not obtained from the project and the delayed implementation of the project may deny residents the intended services.

2.2. Construction of Assistant County Commissioner's Office at Lusumu Division Project

During the year under review, Management awarded a contract to a local contractor on 15 October, 2023 through contract No. NG-CDF/NAV/LDACCO/017/2023-2024 for the construction of Lusumu Division Assistant County Commissioner's Office in Navakholo Constituency at a contract sum of Kshs.4,999,988.60, with the contractor already paid a sum of Kshs.3,000,000 or 60% of the total contract sum.

The construction works were to be completed within twenty-four (24) weeks from the contract signing date. However, physical inspection of the project conducted on 20 November, 2024 revealed that the project was incomplete without doors, windows and ceiling not fixed. Plastering works and painting had also not been done and the contractor was not on site. Further, evidence of contract extension was not provided for audit review.

In the circumstances, the delayed implementation of the project may deny residents the intended services.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Internal Audit Reports

The National Government Constituencies Development Fund - Navakholo Constituency did not maintain internal audit reports for the year under audit review contrary to Section 73(1) of the Public Finance Management Act, 2012.

In the circumstances, the Fund risks having weak internal controls which may result in loss of public funds.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, 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 its 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

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I also 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/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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

	Note	2023/2024 Kshs	2022/2023 Kshs
Receipts			
Transfers From NGCDF Board	1	201,755,981	90,000,000
Other Receipts	2	1,657,412	1,600,000
Total Receipts		203,413,393	91,600,000
Payments			
Compensation of Employees	3	6,075,995	3,468,015
Committee expenses	4	3,979,000	2,538,850
Use of Goods and Services	5	6,794,526	3,591,338
Transfers to Other Government Units	6	105,632,416	41,296,400
Other Grants and Transfers	7	52,633,274	42,030,219
Acquisition of Assets	8	6,890,000	-
Other Payments	9	2,000,000	-
Oversight committee expenses	10	-	714,000
Total Payments		184,005,210	93,638,822
Surplus/(Deficit)		19,408,182	(2,038,822)

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 20-11-2024 and signed by:

**Chairman NG-CDF
 Committee**
 Name: Kennedy Ngao
 Barasa

Fund Accountant Manager
 Name: Thomas M. Ontweka

**National Sub-County
 Accountant**
 Name: CPA Roselyne Kolwa

ICPAK M/No: 14950





*National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

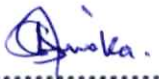
10. Statement of Assets and Liabilities as at 30th June, 2024

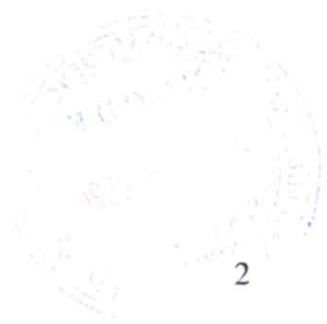
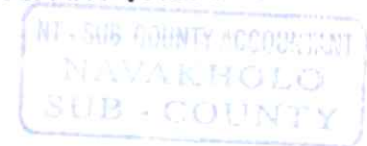
	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	11	31,442,770	11,227,038
Total Cash and Cash Equivalents		31,442,770	11,227,038
Accounts Receivable			
Total Financial Assets (A)		31,442,770	11,227,038
Financial Liabilities			
Accounts Payable			
Gratuity	12	1,126,850	319,300
Total Financial Liabilities (B)		1,126,850	319,300
Net Financial Assets (A-B)		30,315,920	10,907,738
Represented By			
Fund Balance B/Fwd	13	10,907,738	12,946,560
Surplus/(Deficit) for The Year		19,408,182	(2,038,822)
Net Financial Position		30,315,920	10,907,738

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 20-11-2024 and signed by:

.....

**Chairman NG-CDF
Committee**
Name: Kennedy N. Barasa

.....

Fund Accountant Manager
Name: Thomas M. Ontweka

.....

**National Sub-County
Accountant**
Name: Roselyne Kolwa
ICPAK M/No: 14950



National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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	201,755,981	90,000,000
Other Receipts	2	1,657,412	1,600,000
Total Receipts		203,413,393	91,600,000
Payments			
Compensation of Employees	3	6,075,995	3,468,015
Committee Expenses	4	3,979,000	2,538,850
Use of Goods and Services	5	6,794,526	3,591,338
Transfers to Other Government Units	6	105,632,416	41,296,400
Other Grants and Transfers	7	52,633,274	42,030,219
Other Payments	9	2,000,000	-
Oversight committee expenses	10	-	714,000
Total Payments		177,115,210	93,638,822
Total Receipts Less Total Payments		26,298,182	(2,038,822)
Adjusted For:			
Increase/(Decrease) in Accounts Payable	14	807,550	319,300
Net Cash Flow from Operating Activities		27,105,732	(1,719,522)
Cashflow From Investing Activities			
Acquisition of Assets	8	(6,890,000)	-
Net Cash Flows from Investing Activities		(6,890,000)	-
Net Increase in Cash & Cash Equivalents		20,215,732	(1,719,522)
Cash & Cash Equivalent at Start of the Year	11	11,227,038	12,946,560
Cash & Cash Equivalent at End of the Year	11	31,442,770	11,227,038

National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
	2023/24	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023/24	2022/23		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	187,583,693	11,227,038	55,087,603	253,898,334	212,983,019	40,915,315	
Proceeds From Sale of Assets				-	-	-	0%
Other Receipts		1,657,412		1,657,412	1,657,412		124%
Totals	187,583,693	12,884,450	55,087,603	255,555,746	214,640,431	40,915,315	84%
Payments							
Compensation of Employees	5,718,736	2,245,305	413,546	8,377,593	6,075,995	2,301,598	75%
Committee Expenses	3,548,000	952,129		4,500,129	3,979,000	521,129	
Use of Goods and Services	6,493,427	1,107,835	10,932	7,612,194	6,794,526	817,668	89%
Transfers to Other Government Units	115,814,699	1,645,905	27,500,000	144,960,604	105,632,416	39,328,188	73%
Other Grants and Transfers	55,758,831	3,556,864	14,670,124	73,985,819	52,633,274	21,352,545	71%
Acquisition of Assets	250,000	-	10,492,755	10,742,755	6,890,000	3,852,755	64%
Other Payments	-	-	2,000,240	2,000,240	2,000,000	240	100%
Funds Pending Approval**	-	3,376,412		3,376,412		3,376,412	
Totals	187,583,693	12,884,450	55,087,597	255,555,746	184,005,210	71,550,535	72%

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

Annual Report and Financial Statements for The Year Ended June 30, 2024

****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.**

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

(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.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	71,550,535
Less undisbursed funds receivable from the Board as at 30 th June 2024	40,915,315
	30,635,220
Increase/(decrease) Accounts payable	807,550
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 th June 2024	31,442,770

National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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			
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,718,736	2,245,305	413,552	8,377,593	6,075,995	2,301,598
1.2 Committee allowances	1,348,000	68,600	-	1,416,600	1,400,000	16,600
1.3 Use of goods and services	3,432,573	737,752	10,932	4,181,257	4,024,356	156,901
Sub-total	10,499,309	3,051,657	424,484	13,975,450	11,500,351	2,475,099
2.0 Monitoring and evaluation						
2.1 Capacity building				-		-
2.2 Committee allowances	2,200,000	883,529	-	3,083,529	2,579,000	504,529
2.3 Use of goods and services	3,060,854	370,083	-	3,430,937	2,770,170	660,767
Sub-total	5,260,854	1,253,612	-	6,514,466	5,349,170	1,165,296
3.0 Constituency Oversight Committee (Itemize as per budget)						
3.1 Catering service (receptions), Accommodation, Gifts, Food and Drinks	-	-	-	-	-	-

National Government Constituencies Development Fund (NGCDF)
Navakholo Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
3.2 Remuneration of instructors and Contract Based Training Services	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
4.0 Emergency	9,229,569	1,685,938	4,674,124	15,589,631		
4.1 Primary Schools						
Chekata Primary Sch					5,500,000	-
Chekata Primary School					2,301,638	-
Bethel Eden co.					535,500	-
Bethel Eden co.					535,500	-
4.2 Secondary schools						
Ingotse Girls Secondary School					123,273	
Sub-total						
4.3 Tertiary institutions						
Unutilised						
Sub-total						
4.4 Security projects						
Sub-total	9,229,569	3,310,938	4,674,124	15,589,631	8,995,911	6,593,720
5.0 Bursary and Social Security						

National Government Constituencies Development Fund (NGCDF)
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Annual Report and Financial Statements for The Year Ended June 30, 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			
5.1 Primary Schools				-		-
5.2 Secondary Schools	15,198,997	478,294	-	15,677,291	12,694,019	2,983,272
5.3 Tertiary Institutions	18,830,265	31,632	-	18,861,897	18,346,400	515,497
5.4 Special schools	300,000	104,000	-	404,000	150,000	254,000
5.5 Education Support Programmes	250,000	-	-	250,000	250,000	-
5.6 Social Security	500,000	720,000	996,000	2,216,000	-	2,216,000
Sub-total	35,079,262	1,333,926	996,000	37,409,188	31,440,419	5,968,769
6.0 Sports		502,000	-	502,000		
				-	0	
Ceekaystar Sports				-	496,944	
Sub-total	-	502,000	-	502,000	496,944	5,056
7.0 Environment						
Sihanikha Primary School	25,000	35,000	-	60,000	-	60,000
Sipanga Primary	25,000	-	-	25,000	-	25,000
Sub-total	50,000	35,000	-	85,000	-	85,000
Lwakhupa Primary school	-	-	3,000,000	3,000,000	3,000,000	-
Esiyenga Primary sch	-	-	800,000	800,000	800,000	-
Mukama Primary Sch	-	-	800,000	800,000	800,000	-
Shambitsi Primary Sch	-	-	1,500,000	1,500,000	1,500,000	-

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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			
Emasinga Primary Sch	-	-	2,000,000	2,000,000	2,000,000	-
Busangavia Primary Sch	-	-	1,500,000	1,500,000	1,500,000	-
Tanaga Primary School	-	1,500,000	-	1,500,000	1,500,000	-
Eshing'oto primary	-	-	1,000,000	1,000,000	1,000,000	-
Eshikhoni Primary School	-	-	2,000,000	2,000,000	2,000,000	-
Eshing'oto primary	200,000	-	-	200,000	200,000	-
Mukama Primary Sch	400,000	-	-	400,000	400,000	-
Burangasi Primary	-	-	3,500,000	3,500,000	3,500,000	-
Chebunyi Primary	303,619	-	-	303,619	303,619	-
Shibembe Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Sipanga Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Buchangu Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Friends Siyenga Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Emulakha Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Bushili Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Shikomari Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Musanga Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Muhuni Primary	7,000,000	-	-	7,000,000	7,000,000	-
Mwikoli Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000

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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			
Buhayi Muslim Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Kamuli Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Nanganda Primary	3,300,000	-	-	3,300,000	2,000,000	1,300,000
Lutaso Primary	7,000,000	-	-	7,000,000	7,000,000	-
Musabale Primary	3,000,000	-	-	3,000,000	-	3,000,000
Sub-total	57,503,619	1,500,000	16,100,000	75,103,619	56,503,619	18,600,000
9.0 Secondary Schools Projects (List all the Projects)						
St. Pauls Emulakha Sec	-	-	600,000	600,000	600,000	-
Sivilie Sec School	-	-	600,000	600,000	600,000	-
Chebuyusi High School	1,258,381	-	-	1,258,381	1,258,381	-
Ingoste High School	-	-	5,000,000	5,000,000	5,000,000	-
Ingoste High School	5,200,000	-	-	5,200,000	5,200,000	-
Mukangu Sec	4,400,000	-	-	4,400,000	2,000,000	2,400,000
St. Kizito Girls Sec	6,900,000	-	-	6,900,000	5,000,000	1,900,000
Sivilie Sec School	7,499,999	-	-	7,499,999	7,499,999	-
Budonga Junior Sec	2,200,000	-	-	2,200,000	-	2,200,000
Mungakha Junior Sec	2,200,000	-	-	2,200,000	2,200,000	-
Navakholo Junior Sec	2,200,000	-	-	2,200,000	2,200,000	-

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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			
Sivilie Junieur sec	2,200,000	-	-	2,200,000	2,200,000	-
Job Junieur Sec	2,443,766	-	-	2,443,766	1,221,883	3 1,221,88
Eshilakwe Junior Sec	2,200,000	-	-	2,200,000	2,200,000	-
Burangasi Junior Sec	2,200,000			2,200,000		2,200,000
Weremba Junior Sec	2,200,000			2,200,000		2,200,000
Ematiha Junior Sec	2,200,000			2,200,000		2,200,000
Shinoyi Junior Sec	2,200,000			2,200,000		2,200,000
Esumeyia Junior Sec	2,200,000			2,200,000		2,200,000
Sosokhe Sec	-	29,000	-	29,000	-	29,000
St. Kizito Girls Sec	-	54,905	-	54,905	-	54,905
St. Pauls Emulakha Sec	-	50,000	-	50,000	-	50,000
Shinoyi Sec	-	12,000	-	12,000	-	12,000
Sub-total	49,702,146	145,905	6,200,000	56,048,051	37,180,263	18,867,788
10.0 Tertiary Institutions Projects (List all the Projects)						
KMTC Navakholo	-	-	5,200,000	5,200,000	5,200,000	-
KMTC Navakholo	1,860,400	-	-	1,860,400	-	1,860,400
KMTC Navakholo	2,765,317	-	-	2,765,317	2,765,317	-

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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
KMTC Navakholo	3,983,217	-	-	3,983,217	3,983,217	0
Sub-total	8,608,934	-	5,200,000	13,808,934	11,948,534	1,860,400
11.0 Security Projects						
Bunyala East Division	-	-	1,000,000	1,000,000	1,000,000	-
Lusumu Division ACC	-	-	1,000,000	1,000,000	1,000,000	-
Lusumu Division ACC	-	-	3,000,000	3,000,000	3,000,000	-
Lusumu Division ACC	-	-	4,000,000	4,000,000	4,000,000	-
Lusumu Division ACC	2,200,000	-	-	2,200,000	1,500,000	700,000
Sivilie Sublocation Ass	1,200,000	-	-	1,200,000	1,200,000	-
Lusumu division police	8,000,000	-	-	8,000,000	-	8,000,000
Sub-total	11,400,000	-	9,000,000	20,400,000	11,700,000	8,700,000
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)				-	-	-
NGCDFC Vehicle	-	-	6,900,000	6,900,000	6,890,000	10,000
12.2 Construction of CDF office				-	-	-
Navakholo Ngcdf Office	-	-	3,592,755	3,592,755	-	3,592,755
12.3 Purchase of furniture and equipment				-	-	-
Car Park Shade	250,000	-	-	250,000	-	250,000

Programme/Sub-programme	Original Budget	Adjustments		Opening Balance (C/Bk) and AIA Disbursements	Previous Years' Outstanding Disbursements	Kshs	Kshs	Kshs	Kshs
		Final Budget	Actual on comparable basis						
12.4 Purchase of computers	-	-	-	-	-	-	-	-	-
12.5 Purchase of land	-	-	-	-	-	-	-	-	-
Sub-total	250,000	-	10,492,755	10,492,755	10,742,755	6,890,000	3,852,755		
13.0 Others									
13.1 Strategic Plan	-	-	-	-	-	-	-	-	-
Insight Consultants Ltd	-	-	2,000,240	2,000,240	2,000,240	2,000,000	240		
13.2 Innovation Hub	-	-	-	-	-	-	-		
Sub-total	-	-	2,000,240	2,000,240	2,000,240	2,000,000	240		
Funds pending approval**	-	-	-	-	-	-	-		
PMC Savings	-	-	3,257,412	3,257,412	3,257,412	3,257,412	119,000		
Sub-total	-	-	119,000	119,000	119,000	119,000	119,000		
Sub-total	-	-	1,719,000	1,719,000	1,719,000	3,376,412	3,376,412		
Total	187,583,693	12,884,450	55,087,603	255,555,746	184,005,211	71,550,535			

(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 tie to totals of statement in schedule 12

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Navakholo 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.

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- 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.

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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 24 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

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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.

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023/2024	2022/2023
NGCDF Board	Kshs	Kshs
B185209		7,000,000
B185482		6,000,000
B185744		15,000,000
B206060		5,000,000
B205557		12,000,000
B205854		12,000,000
B207614		18,000,000
B207980		15,000,000
B214386	40,487,603	
B214697	5,600,000	
B233563	500,000	
B225178	30,000,000	
B225381	3,500,000	
B226156	24,558,139	
B233794	5,000,000	
B233814	50,000,000	
B214867	42,110,239	
TOTAL	201,755,981	90,000,000

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2. Other Receipts

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Unutilized funds from PMCs account	1,657,412	1,600,000
Total	1,657,412	1,600,000

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3. Compensation Of Employees

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,132,995	2,224,303
House Allowance	1,162,060	437,500
Gratuity to contractual employees	1,549,690	711,622
Employer Contributions Compulsory national social security schemes	198,120	94,590
Employer Contributions Compulsory Housing levy	25,530	-
Employer contributions to National Industrial Training Authority	7,600	-
Total	6,075,995	3,468,015

4. Committee Expenses

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
A.NG CDFC		
Sitting allowance	1,143,000	1,975,300
Other committee expenses	2,836,000	563,550
Total	3,979,000	2,538,850

5. Use of Goods and services

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Utilities, supplies and services	63,045	27,473
Communication, supplies and services	374,190	109,900

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Domestic travel and subsistence	966,900	425,365
Training expenses	1,053,950	950,400
Hospitality supplies and services	996,302	283,850
Insurance costs	242,275	-
Office and general supplies and services	1,723,820	245,100
Fuel, oil & lubricants	644,500	80,000
Other operating expenses	617,718	1,405,250
Bank charges	5,054	9,000
Routine maintenance – vehicles and other transport equipment	106,772	55,000
Total	6,794,526	3,591,338

6. Transfer To Other Government Units

Description	2023/2024	2022/2023
	Kshs	Kshs
Transfers To Primary Schools	56,503,619	19,808,400
Transfers To Secondary Schools	37,180,263	17,488,000
Transfers To Tertiary Institutions	11,948,534	4,000,000
Total	105,632,416	41,296,400

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7. Other Grants and Other transfers

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Bursary – secondary schools	12,694,019	19,804,906
Bursary – tertiary institutions	18,346,400	15,113,011
Bursary – special schools	150,000	263,300
Bursary- education support programmes	250,000	-
Security projects	11,700,000	3,000,000
Sports projects	496,944	998,000
Environment projects	-	465,000
Emergency projects	8,995,911	2,386,002
Total	52,633,274	42,030,219

8. Acquisition Of Assets

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Purchase of Vehicles and Other Transport Equipment	6,890,000	-
Total	6,890,000	-

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9. Other Payments

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Strategic plan	2,000,000	-
Total	2,000,000	-

10. Oversight Committee Expenses

	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Oversight committee Expenses	-	714,000
Total	-	714,000

11. Cash and Cash Equivalents

Name of Bank and Account No.	<i>2023/2024</i>	<i>2022/2023</i>
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank (Kenya) Limited Kakamega Branch, Navakholo NGCDF, Account No. 0500279912889</i>	30,315,920	11,227,038
<i>Equity Bank (Kenya) Limited Kakamega Branch, Navakholo NGCDF (Deposit account) Account No. 0500285390784</i>	1,126,850	-
Total	31,442,770	11,227,038

12. Gratuity

	<i>2023/2024</i>	<i>2022/2023</i>
	KShs	KShs
Gratuity as at 1 st July (A)	319,300	-
Gratuity held during the year (B)	807,550	319,300
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30th June D= A+B-C	1,126,850	319,300

Gratuity aging analysis

	<i>2023/2024</i>	<i>% of the total Gratuity</i>	<i>2022/2023</i>	<i>% of the total Gratuity</i>
Under one year	807,550	72%	319,300	100%
1-2 years	319,300	28 %	-	%
Total	1,126,850		319,300	

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

13. Fund Balance B/F

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs (1/7/2023)	Kshs (1/7/2022)
Bank accounts	10,907,738	12,946,560
Total	10,907,738	12,946,560

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14. Changes In Accounts Payable – Deposits and Retentions

	2023/2024	2022/2023
	KShs	KShs
Gratuities and Retentions as at 1 st July (A)	319,300	-
Gratuities and Retentions held during the year (B)	807,550	319,300
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	1,126,850	319,300
Net changes in accounts payables D-A	807,550	319,300

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16. Other Important Disclosures

14.1 Unutilized Fund (See Annex 3)

	2023/2024 Kshs	2022/2023 Kshs
Compensation of employees	2,301,598	2,339,558
Committee expenses	521,129	952,129
Use of goods and services	817,668	1,118,767
Amounts due to other Government entities (see attached list)	39,328,188	29,145,905
Amounts due to other grants and other transfers (see attached list)	21,352,545	18,226,988
Acquisition of assets	3,852,755	10,492,755
Others (Strategic plan)	240	2,000,240
Funds pending approval	3,376,412	1,719,000
Total	71,550,535	65,995,342

14.2: PMC account balances (See Annex 5)

	2023/2024 Kshs	2022/2023 Kshs
PMC account balances	47,794,717	9,883,336
Total	47,794,717	9,883,336

*National Government Constituencies Development Fund (NGCDF)
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17. Annexes

Annex 1– Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2023/24	Outstanding Balance 2022/23	Comments
Compensation of employees	Unspent remuneration	2,301,598	2,339,558	
Use of goods & services	Unspent amount for goods & services	521,129	952,129	
Amounts due to other Government entities	Unspent committee expenses	817,668	1,118,767	
Sub-Total		3,640,395	4,410,454	
Amounts due to other grants and other transfers				
Amounts due to other Government entities				
Primary Schools				
Lwakhupa Primary school	Amount for construction of classrooms	-	3,000,000	
Esiyenga Primary Sch	Amount for construction	-	800,000	
Mukama Primary Sch	Amount for construction	-	800,000	
Shambitsi Primary Sch	Amount for construction	-	1,500,000	
Emasinga Primary Sch	Amount for construction	-	2,000,000	
Busangavia Primary Sch	Amount for construction	-	1,500,000	
Tanga Primary School	Amount for construction	-	1,500,000	
Eshing'oto primary	Amount for construction	-	1,000,000	
Eshikhoni Primary School	Amount for construction	-	2,000,000	

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Name	Brief Transaction Description	Outstanding Balance 2023/24	Outstanding Balance 2022/23	Comments
Eshing'oto primary		-	-	
Mukama Primary Sch		-	-	
Burangasi Primary	Amount for construction	-	3,500,000	
Chebuyusi Primary		-	-	
Shibembe Primary	Amount for construction	1,300,000	-	
Sipanga Primary	Amount for construction	1,300,000	-	
Buchangu Primary	r construction	1,300,000	-	
Friends Siyenga Primary	Amount for construction	1,300,000	-	
Emulakha Primary	Amount for construction	1,300,000	-	
Bushili Primary	Amount for construction	1,300,000	-	
Shikomari Primary	Amount for construction	1,300,000	-	
Musanga Primary	Amount for construction	1,300,000	-	
Muhuni Primary		-	-	
Mwikoli Primary	Amount for construction	1,300,000	-	
Buhayi Muslim Primary	Amount for construction	1,300,000	-	
Kamuli Primary	Amount for construction	1,300,000	-	
Nanganda Primary	Amount for construction	1,300,000	-	
Musabale Primary School	Amount for construction	3,000,000	-	
Sub-Total		18,600,000	17,600,000	
Secondary Schools				
St. Pauls Emulakha Sec		-	600,000	
Sivilie Sec School		-	600,000	
Ingoste High School			5,000,000	
Mukangu Sec		2,400,000	-	

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Name	Brief Transaction Description	Outstanding Balance 2023/24	Outstanding Balance 2022/23	Comments
Budonga Junior Sec		2,200,000	-	
St. Kizito Girls Sec		1,900,000	29,000	
Sisokhe Sec	Savings from the projects	29,000	54,905	
St. Kizito Girls Sec	Savings from the projects	54,905	50,000	
St. Pauls Emulakha Sec	Savings from the projects	50,000	12,000	
Shinoyi Sec	savings	12,000	12,000	
Burangasi Junior sec	Construction of classrooms	2,200,000		
Weremba Junior Sec	Construction of classroom	2,200,000		
Ematiha Junior Sec	Construction of classroom	2,200,000		
Shinoyi Junior Sec	Construction of classroom	2,200,000		
Esumeyia Junior Sec	Construction of classroom	2,200,000		
Job Junior Sec	Construction of classroom	1,221,883		
Sub-Total		18,867,788	6,345,905	
Tertiary Institutions				
KMTC Navakholo		-	5,200,000	
KMTC Navakholo		1,860,400	5,200,000	
Sub-Total		1,860,400	5,200,000	
Amounts due to other grants and other transfers				
Emergency Projects (see attached list)				
Unutilized Funds	Unspent amount for emergency	6,593,720	6,360,062	
Sub-Total		6,593,720	6,360,062	
Security Projects				

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Name	Brief Transaction Description	Outstanding Balance 2023/24	Outstanding Balance 2022/23	Comments
Bunyala East Division	ACC's purchase of land	-	1,000,000	
Lusumu Division ACC Office	ACC's purchase of land	-	1,000,000	
Lusumu Division ACC Office	Construction of office	-	3,000,000	
Lusumu Division Police Line	Construction of office staff	-	4,000,000	
Lusumu Division ACC	Construction of office	700,000	-	
Navakholo police station	Construction of police station	8,000,000		
Sub-total		8,700,000	9,000,000	
5.0 Bursary and Social Security				
5.1 Primary Schools		-	-	
5.2 Secondary Schools	Bursary to the needy	2,983,272	478,294	
5.3 Tertiary Institutions	Bursary to the needy	515,497	31,632	
5.4 Special schools	Bursary to the needy	254,000	104,000	
5.5 Education Support Programmes		-	-	
5.6 Social Security	Affirmative for elderly	2,216,000	1,716,000	
Sub-total		5,968,769	2,329,926	
6.0 Sports				
Constituency sports	Sports activities	5,056	502,000	
Sub-total	-	5,056	502,000	
7.0 Environment				
Shinikha Primary School	Improve climate change	60,000	35,000	
Sipanga Primary	Improve climate change	25,000	-	
Sub-total		85,000	35,000	

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Name	Brief Transaction Description	Outstanding Balance 2023/24	Outstanding Balance 2022/23	Comments
Others (<i>specify</i>)				
12.0 Acquisition of assets				
12.1 Motor Vehicles (including motorbikes)	Savings from transport equipment	10,000	6,900,000	
12.2 Construction of CDF office	NGCDF Office	3,592,755	3,592,755	
12.3 Purchase of furniture and equipment	Construction of car shed	250,000	-	
12.4 Purchase of computers	-	-	-	
12.5 Purchase of land	-	-	-	
Sub-total		3,852,755	10,492,755	
Oversight Committee Expenses(itemize)				
3.1 Catering service (receptions), Accommodation, Gifts, Food and Drinks	-	-	-	
3.2 Remuneration of instructors and Contract Based Training Services	-	-	-	
Sub-total	-	-	-	
Others (<i>specify</i>)	-	-	-	
13.1 Strategic Plan		240	2,000,240	
13.2 Innovation Hub		-	-	
Funds pending approval**		3,376,412	1,719,000	
Sub-total		3,376,412	1,719,000	
Grand Total		71,231,236	65,995,342	

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Annex 2 – 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	850,000			850,000
Buildings and structures	17,639,795			17,639,795
Transport equipment	493,200	6,890,000		7,383,200
Office equipment, furniture and fittings	2,000,000			2,000,000
ICT Equipment, Software and Other ICT Assets	1,124,250			1,124,250
Other Machinery and Equipment	0			0
Intangible assets	0			0
Total	22,107,245	6,890,000		28,997,245

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Annex 3 –PMC Bank Balances as at 30th June 2024

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Siville Sec, school	Equity Bank-Kakamega	500282036386	71,731	-
Mukama Primary School	Equity Bank-Kakamega	500282088117	5,400,466	-
Musabale Primary School (PMC)	Equity Bank-Kakamega	500283857842	16,274	-
Emuhuni Primary school	Equity Bank-Kakamega	500284177215	236,106	-
Ingotse Primary School	Equity Bank-Kakamega	500284326843	927,961	-
Siyombe Sec. School	Equity Bank-Kakamega	500284328834	59,026	-
ACC Bunyala east Div. Office	Equity Bank-Kakamega	500284331470	3,000	-
Chebuyusi Friends School	Equity Bank-Kakamega	500284334520	5,511	-
Lusumu Division Acc Office	Equity Bank-Kakamega	500284341503	128	-
Eshingoto Primary school	Equity Bank-Kakamega	500284346787	57,420	-
St.Paul Emulakha Acc	Equity Bank-Kakamega	500284346901	1,841	-
Eshikhoni Primary School	Equity Bank-Kakamega	500284347034	24,893	-
Emashinga Primary School	Equity Bank-Kakamega	500284348551	2,000	-
Lusumu DivisionPolice	Equity Bank-Kakamega	500284377520	734	-
Bunyala East Div.ACC Office	Equity Bank-Kakamega	500284379293	6,765	-
Lusumu Div.ACC office	Equity Bank-Kakamega	500284512390	3,000	-
KMTC Navakholo Fencing	Equity Bank-Kakamega	500284550296	474,490	-

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
KMTC Navakholo Furniture	Equity Bank-Kakamega	500284558529	2,425	-
Lwakhupa Primary School	Equity Bank-Kakamega	500284612401	496,586	-
Busangavia Primary school	Equity Bank-Kakamega	500284671780	705,000	-
Chekata Primary School	Equity Bank-Kakamega	500284676645	1,000,000	-
Eshiyenga Primary School	Equity Bank-Kakamega	500284676899	2,500	-
Shiambitsi Primary School	Equity Bank-Kakamega	500284691276	1,930,000	-
Mukama primary school	Equity Bank-Kakamega	500284700699	2,000,000	-
Bushiri primary school	Equity Bank-Kakamega	500285353961	4,892,425	-
Shibembe primary school	Equity Bank-Kakamega	500285356265	2,000,000	-
Ingotse High School	Equity Bank-Kakamega	500285358212	1,895,000	-
Eshirakwe Primary School	Equity Bank-Kakamega	500285358562	2,200,000	-
Mwikori primary school	Equity Bank-Kakamega	500285358731	7,499,999	-
Mungakha Primary school	Equity Bank-Kakamega	500285361619	2,000,000	-
Sivilie Sec. School	Equity Bank-Kakamega	500285365512	412,178	-
Buchangu Primary School	Equity Bank-Kakamega	500285371175	2,000,000	-
Bulangasi Primary school	Equity Bank-Kakamega	500285374027	2,000,000	-
Musaga Primary School	Equity Bank-Kakamega	500285374541	2,000,000	-
Buhayi primary school	Equity Bank-Kakamega	500285374660	5,000,000	-

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Shikomari Primary School	Equity Bank-Kakamega	500285374906	2,000,000	-
St. Kizito Lusumu Girls Sec Sch	Equity Bank – Kakamega	500285405193	406,150	336,150
Mukangu Comprehensive school	Equity Bank - Kakamega	5002885377217	61,108	2,208,400
Our Lady Sipanga Primary School	Equity Bank – Kakamega	500281003932	-	439,959
Ingotse High School	KCB – Kakamega	1110703775	-	8,607
Namirama Girls High School	KCB - Kakamega	1130971007	-	1,803
Eshilakwe Dos Office PMC	KCB - Kakamega	1154471152	-	6,239
Shinoyl Chief's Office	KCB – Kakamega	1156787653	-	67,357
Shinoyl Secondary School	KCB - Kakamega	1156846579	-	1,416
St. Paul's Emulakha Secondary School	KCB – Kakamega	1156882885	-	394
Eshikhoni Primary School	KCB - Kakamega	1200472195	-	674
Kochwa Primary School	KCB - Kakamega	1200908570	-	10,847
Lwakhupa Primary School	KCB – Kakamega	1233981099	-	1,371
Sidikho Secondary School	KCB – Kakamega	1272452298	-	9,748
St. Kizito Girls Secondary School Lusumu	Equity Bank – Kakamega	500264093425	-	1,520
Eshilakwe Primary School	Equity Bank - Kakamega	500264911739	-	4,688
Navakholo Secondary School	Equity Bank - Kakamega	500270075427	-	2,450
Buchangu Dispensary	Equity Bank - Kakamega	500270126325	-	79,705

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Ematiha Secondary School	Equity Bank – Kakamega	500270175449	-	1,435
St. John's Budonga Secondary School	Equity Bank – Kakamega	500270211662	-	2,998
Natunyi Community Health Centre	Equity Bank - Kakamega	500270344638	-	1,635
St. Raphael's Burangasi Secondary School	Equity Bank - Kakamega	500277622001	-	1,286
Sisokhe Primary School	Equity Bank – Kakamega	500278220069	-	1,146
Nambacha Mixed Secondary School	Equity Bank – Kakamega	500278459591	-	1,775
Shibembe Primary School	Equity Bank – Kakamega	500278688143	-	13,145
Sikubale Primary School	Equity Bank – Kakamega	500278814731	-	1,815
Chekata Primary School	Equity Bank – Kakamega	500278814890	-	3,229
Weremba Muslim Secondary School	Equity Bank – Kakamega	500278816554	-	41,660
Navakholo DCC's Office	Equity Bank – Kakamega	500278885041	-	7
KMTC Navakholo	Equity Bank – Kakamega	500278890964	-	29,744
St. Mary's Ebutenje Girls Secondary School	Equity Bank – Kakamega	500278983265	-	3,155
Friends School Sirigoi	Equity Bank – Kakamega	500278983276	-	1,349
Friends School Musaga	Equity Bank – Kakamega	500278984862	-	1,613
St. Paul's Lwakhupa Secondary School	Equity Bank – Kakamega	500278985960	-	19,254
Namundera Secondary School	Equity Bank – Kakamega	500278988380	-	266,814
Navakholo Police Post	Equity Bank – Kakamega	500278991360	-	989

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Tumaini Community School	Equity Bank – Kakamega	500278994714	-	7,480
Ebumangale Primary school	Equity Bank – Kakamega	500278995135	-	860
St. Teresa's Ebumamu Secondary School	Equity Bank – Kakamega	500279332048	-	1,777
Emasinga Primary School	Equity Bank – Kakamega	500279466728	-	3,195
Sisokhe Prlmary School	Equity Bank – Kakamega	500279615804	-	760
Buhayi Muslim Secondary School	Equity Bank – Kakamega	500279649778	-	710,947
Buhayi Muslim Secondary School	Equity Bank – Kakamega	500279649791	-	880
St. Paul's Emulakha Secondary School	Equity Bank – Kakamega	500279674227	-	380
Simakina Primary School	Equity Bank – Kakamega	500279678505	-	97
Mwikoli Primary School	Equity Bank – Kakamega	500279694109	-	807
Bushlil Primary School	Equity Bank – Kakamega	500279694491	-	807
Bushlil Primary School	Equity Bank – Kakamega	500279694506	-	38,764
Eshikhoni Primary School	Equity Bank – Kakamega	500279696811	-	807
Lukhuna Primary School	Equity Bank – Kakamega	500279702894	-	547,995
St. Margaret Wading'o Primary School	Equity Bank – Kakamega	500279703180	-	18,307
St. Aquinas Buchangu Secondary School	Equity Bank – Kakamega	500279712929	-	4,598
Simuli Secondary School	Equity Bank – Kakamega	500279718225	-	647
Nambacha Secondary School	Equity Bank – Kakamega	500279724810	-	2,067

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Emasinga Primary School	Equity Bank – Kakamega	500279737496	-	14,801
Emulama Primary School	Equity Bank – Kakamega	500279738022	-	9,182
Sisokhe Secondary School	Equity Bank – Kakamega	500279742293	-	1,000
Good Sheperd Primary School	Equity Bank – Kakamega	500279752602	-	1,075
Kochwa Primary School	Equity Bank – Kakamega	500279801080	-	1,438
Nderema Primary School	Equity Bank – Kakamega	500279805696	-	2,410
Lutaso Primary School	Equity Bank – Kakamega	500279808698	-	200
St. Peter's Bukhubalo Secondary School	Equity Bank – Kakamega	500279914443	-	747
Simakina Primary School	Equity Bank – Kakamega	500280553476	-	130
Nambacha Primary School	Equity Bank – Kakamega	500280749353	-	751
Bunyala West Chief's Office	Equity Bank – Kakamega	500280752269	-	20,000
St. Joseph's Matoyi Primary School	Equity Bank – Kakamega	500280752583	-	362
Makhlma Primary School	Equity Bank – Kakamega	500280752704	-	870
Namirama Primary School	Equity Bank – Kakamega	500280940147	-	161,205
Good Sheperd Primary School	Equity Bank – Kakamega	500280956255	-	641,149
Shibembe Primary School	Equity Bank – Kakamega	500280964228	-	595
Navakholo Deputy County Commissioner's Office	Equity Bank – Kakamega	500280968610	-	430
Lukhuna Primary School	Equity Bank – Kakamega	500281184204	-	412

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Navakholo Primary School	Equity Bank – Kakamega	500281263319	-	492
Ingotse Primary School	Equity Bank – Kakamega	500281309782	-	550
Chebuyusi High School	Equity Bank – Kakamega	500281991516	-	168,283
Esumeyia Primary School	Equity Bank – Kakamega	500282008843	-	4,630
Bukhubalo Primary School	Equity Bank – Kakamega	500282057325	-	539
Sihanikha Primary School	Equity Bank – Kakamega	500282060081	-	880,550
Friends Namakoye Primary School	Equity Bank – Kakamega	500282062267	-	435
Naulu Primary School	Equity Bank – Kakamega	500282062870	-	422
Shikomari Secondary school	Equity Bank – Kakamega	500282063626	-	322
Nderema Secondary School	Equity Bank – Kakamega	500282063691	-	811,942
Kharanda Primary School	Equity Bank – Kakamega	500282083110	-	180
Simuli Secondary school	Equity Bank – Kakamega	500282086429	-	840,026
Siyombe Primary School	Equity Bank – Kakamega	500282088157	-	9,949
Makunga Police Station	Equity Bank – Kakamega	500282219355	-	432
Mwikoli Primary School	Equity Bank – Kakamega	500282402430	-	1,635
Ematiha Primary School	Equity Bank – Kakamega	500282402670	-	827
Sivilie Primary School	Equity Bank – Kakamega	500282415435	-	604,753
St. John's Shinoyi Secondary School	Equity Bank – Kakamega	500282443821	-	10,642

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Nang'anda Secondary school	Equity Bank – Kakamega	500282464657	-	74,343
Kisembe Primary School	Equity Bank – Kakamega	500282507625	-	605,143
Mungakha Primary School	Equity Bank – Kakamega	500282509009	-	19,249
Shibembe Primary School	Equity Bank – Kakamega	500282527021	-	1,500
Emuhuni Primary School	Cooperative Bank – Kakamega	1139011926000	-	1,700
Mukama Primary School	Co-operative Bank - Kakamega	1139011926300	-	6,095
Sirigol Primary School	Cooperative Bank – Kakamega	1139098424101	-	770
Siyombe Primary School	Co-operative Bank - Kakamega	1139165252600	-	1,695
Ewamakhumbi Primary School	Co-operative Bank - Kakamega	1139165610501	-	6,098
Ewamakhumbi Primary School	Cooperative Bank – Kakamega	1139165610501	-	6,098
Sisokhe Primary School	Cooperative Bank – Kakamega	1139165627401	-	2,162
St. Raphael's Burangasi Secondary School	Co-operative Bank - Kakamega	1139631124900	-	2,762
St. Margaret's Wading'o Primary School	Co-operative Bank - Kakamega	1139632759200	-	7,072
Assumption of Our Lady Sipanga Primary School	Co-operative Bank - Kakamega	1139632759300	-	3,598
Chebuyusi Muslim Primary School	Co-operative Bank - Kakamega	1139632765700	-	1,022
Ebumamu Primary School	Cooperative Bank – Kakamega	1139632766000	-	1,833
Ingotse Girls Secondary School	Co-operative Bank - Kakamega	1139632856101	-	3,880

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Job's Primary School	Co-operative Bank - Kakamega	1139804049200	-	920
Sidikho Chief's Office	Cooperative Bank – Kakamega	1141545641400	-	5,490
Nang'anda D. O's Office	Cooperative Bank – Kakamega	1141631075300	-	3,512
Lutaso Chief's Office	Cooperative Bank – Kakamega	1141631455600	-	4,325
Muregu AP Camp	Cooperative Bank – Kakamega	1141631455700	-	11,825
Namabacha AP Camp	Co-operative Bank - Kakamega	1141632622800	-	2,326
Navakholo Police Division Office	Co-operative Bank - Kakamega	1141804250100	-	1,000
Total			47,794,717	9,883,336

Annex 4: 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)
OAG/WRO/NGCDF-NAVAKHOLO/2022/2023/26	Unsupported Project Management Committee Bank Balances	They were submitted to auditor for verification	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs. 11,227,038 which does not include Project Management Committees (PMC) bank balance of Kshs.9,883,336. In addition, Annex 5 to the financial statements reflects one hundred and thirteen (113) PMC bank accounts with balances totalling Kshs. 9,883,336. Included are balances totalling, Kshs. 1,394,330 held in sixty (60) bank accounts brought forward which had no movements during the year. Further, monthly bank reconciliation statements, certificates, expenditure returns, projects, implementation status reports and bank statements for one hundred and one</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	(101) bank accounts were not provided for audit. In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs. 9,883,336 could not be confirmed.			
	<p>3. Unsupported Bursary Disbursements</p> <p>The statement of receipts and payments and as disclosed in Note 8 to the financial statements, reflects other grants and other transfers amounts of Kshs. 42,030,219, which includes bursary totalling Kshs. 35,181,217 for secondary schools, tertiary institutions and special schools. However, acknowledgements by beneficiary institutions for bursary totalling Kshs. 263,300 were not provided were not confirmed.</p>	The bursary acknowledgements were submitted to the auditor for verification	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>In the circumstances, the accuracy and regularity of bursary expenditure of Kshs. 263,300 could not be confirmed.</p>			
	<p>Budgetary Control and Performance The summary statement of appropriation reflects final receipts final receipts budget and actual on comparable basis of Kshs. 159,634,163 and Kshs. 104,546,560 respectively, resulting to an under-funding of Kshs. 55,087,603 or 35% of the budget. However, the Fund spent a balance of Kshs. 93,638,822 against actual receipts of Kshs. 104,546,560 resulting to an under-utilization of Kshs. 10,907,738 or 10% of the actual receipts.</p> <p>The under-funding and underutilisation affected the</p>	<p>The underfunding was due to delayed disbursements</p>	<p>Not Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	planned activities and may have impacted negatively to the public.			
	<p>Other Matter</p> <p>Unresolved Prior Year Audit Matters</p> <p>The audit report for the previous year highlighted several issues on the Reports on Financial Statements, Lawfulness and effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance. However, Management's report on the progress made in resolving the issues, at Annex 6 of other important disclosures indicates that issues relating to the financial statements had not been resolved as at 30 June, 2023. No explanation was provided on failure to important recommendations.</p>	<p>Prior year audit matters are yet to tabled to Decentralized Funds Accounts Committee</p>	<p>Not Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Project Implementation Status</p> <p>During the year under review, the Fund had planned to implement forty-six (46) project at a total cost of Kshs. 136,238,199. However, seventeen (17) or 37% of the projects with a total cost of Kshs. 53,983,531 were completed, six (6) or 13% of the projects with a total cost of Kshs. 20,708,400 were on-going and twenty-three (23) or 50% of the projects with a cost of Kshs 61,546,188 had not been started as at 30 June. 2023.</p> <p>In the circumstances, value for money obtained from the six (6) on-going projects and the twenty -three (23) projects that had not started could not be confirmed.</p>	<p>The ongoing projects and unfunded projects was due to late disbursements of funds from the NGCDF Board</p>	<p>Not Resolved</p>	

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Thomas M. Ontweka
Fund Account Manager.

