

REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 01 AUG 2024

DAY. OF  
Afternoon

TABLED BY: Deputy Leader of Majority Party

CLERK AT THE TABLE: Benson Inzoti



**THE AUDITOR-GENERAL**

ON

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

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



OFFICE OF THE AUDITOR GENERAL  
P.O. Box 81543, MOMBASA  
530/KPO  
19 MAR 2024  
RECEIVED  
NORTH COAST REGIONAL OFFICE



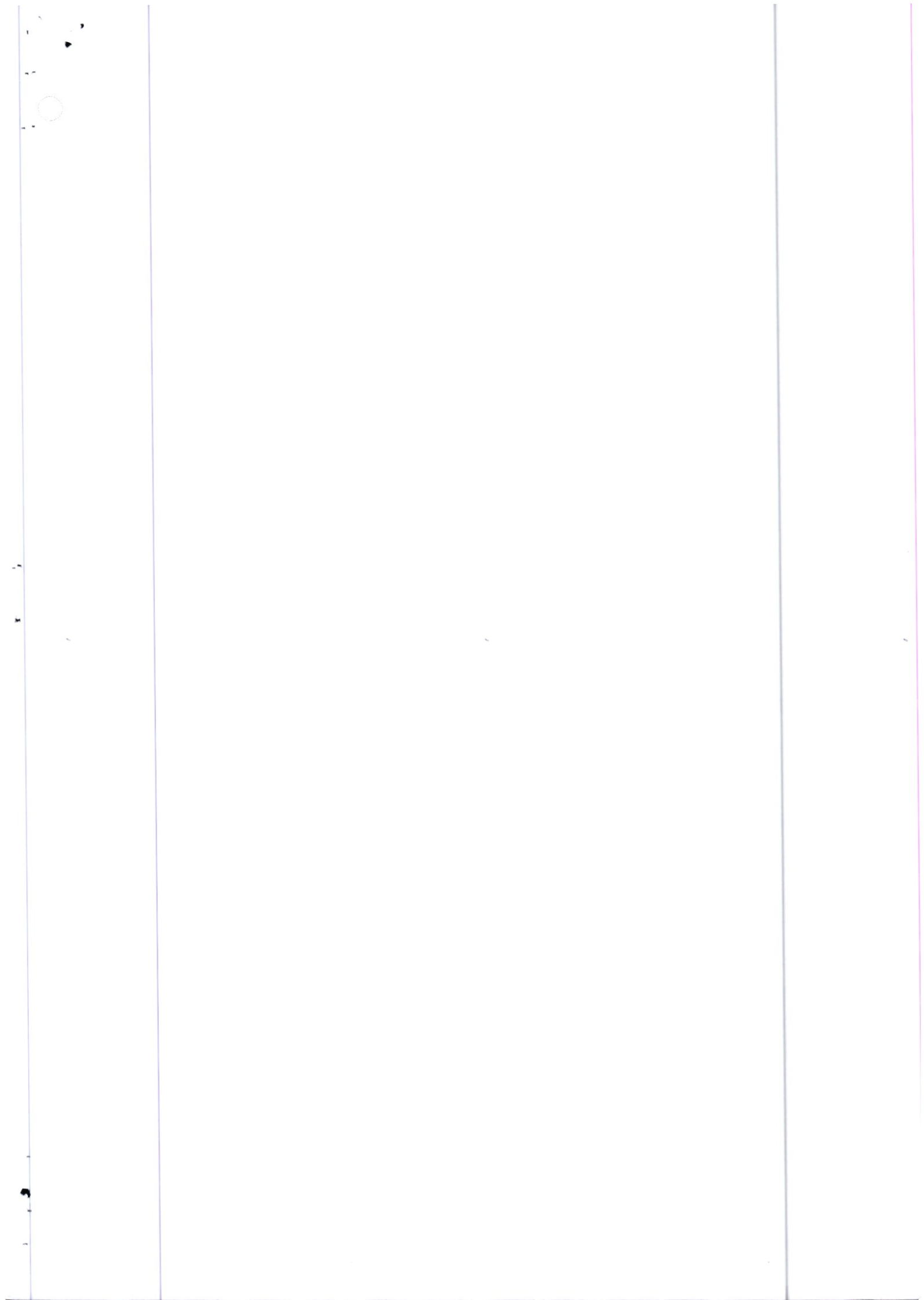
---

**RABAI CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

---

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



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

---

<b>Table of Content</b>	<b>Page</b>
I. Acronyms and Abbreviations .....	ii
II. Key Constituency Information and Management .....	iii
III. NG-CDFC Chairman's Report .....	vii
IV. Statement Of Performance Against Predetermined Objectives for FY2022/23 .....	ix
V. Statement of Governance .....	xi
VI. Environmental and Sustainability Reporting.....	xiv
VII. Statement Of Management Responsibilities.....	xviii
VIII. Report Of the Independent Auditors On The NGCDF- Rabai Constituency .....	xx
IX. Statement Of Receipts and Payments for the Year Ended 30th June 2023 .....	1
X. Statement Of Assets and Liabilities As At 30 <sup>th</sup> June, 2023 .....	2
XI. Statement Of Cash Flows for The Year Ended 30th June 2023 .....	3
XII. Summary Statement of Appropriation for The Year Ended 30 <sup>th</sup> June 2023 .....	5
XIII. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2023.....	8
XIV. Significant Accounting Policies .....	15
XV. Notes To the Financial Statements.....	21
XVI. Annexes .....	33

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---

**I. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

NGCDFB- National Government Constituencies Development Fund Board

NGCDFC- National Government Constituency Development Fund Committee

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

ARMC- Audit and Risk Management Committee

OSHA- Occupational Safety and Health Act of 2007,

## **II.Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

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

***Rabai Constituency***

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

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

---

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

### **Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 202X and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Beatrice Kulaphira Tembe
2.	Sub-County Accountant	Ganja Mwalolo Mwangemi
3.	Chairman NGCDFC	Emmanuel Muhaso Muhaso
4.	Member NGCDFC	Elvis Bokoro Hare

### **(c) Fiduciary Oversight Arrangements**

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

### **(d) Rabai Constituency NGCDF Headquarters**

Mazeras-Kaloleni Road  
Shika Adabu  
P.O Box 119-80114  
Mazeras

### **(e) Rabai Constituency NGCDF Contacts**

Telephone: (254) **0703 155871**  
E-mail: [cdfrabai@ngcdf.go.ke](mailto:cdfrabai@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(f) Rabai Constituency NGCDF Bankers**

African Banking Corporation Bank  
Mombasa Branch  
P.O.Box  
Mombasa

**(g) Independent Auditors**

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

**(h) Principal Legal Adviser**

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

### III. NG-CDFC Chairman's Report



**Name: Emmanuel Muhaso Muhaso**

#### **CHAIRMAN NGCDF COMMITTEE**

On behalf of the constituents and the NG-CDF Rabai office, it's my utmost honour and privilege to present the financial report for the year ended 30<sup>th</sup> June 2023.

During the financial year 2022/2023 the management had a total budget of Kshs. 147,761,702 which included Kshs. **138,215,033** being the allocation for the year and balances brought forward from the previous year amounting to Kshs 9,546,669 However, the management received a total of Kshs. **87,000,000** during the year translating to **65%** of the expected amount. A total of Kshs. 51,215,033 is still owed from the NG-CDF board as at 30<sup>th</sup> June 2023. Of the received amount the management spent Kshs. **67,580,938** on projects and other administrative costs which translate to 54.3 % .

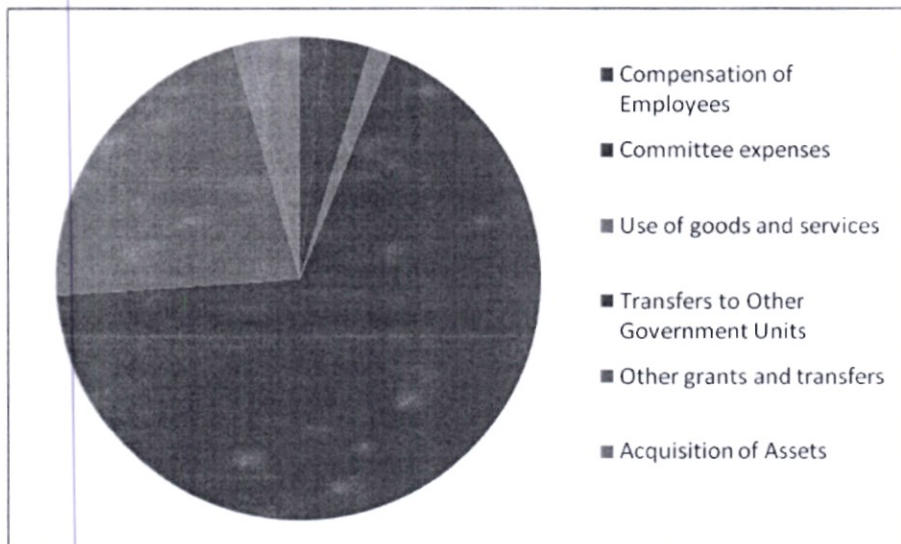
During this financial year 2022/2023, the NG-CDF Rabai managed to complete and implement a good number of projects from the financial year 2022/2023 and a couple from the financial year 2021/2022 whose funds were received from the board in the financial year 2022/2023. This was made possible by good co-operation between the NG-CDF committee, the PMCs and other stakeholders despite political activities prevailing during the year. The management was able to disburse bursary to needy students totalling to 40,351,175. This has enhanced retention of students in school which translates to performance improvement.

Despite the achievements, the management experienced several challenges which included high number of requests for bursaries, increased requests from institutions especially boarding secondary where many required immediate intervention in terms of dormitories, dining halls and classrooms to accommodate high number of students enrolling following the 100% transition of students from Primary to Secondary Schools as per the government policy.

To address this the committee will allocate more funds towards bursaries and the construction of more infrastructure in schools in the financial year 2023/2023

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

---



*FIGURE 1: BUDGET UTILISATION OF FUNDS*

.....  
**Name: Emmanuel Muhaso Muhaso**  
**CHAIRMAN NGCDF COMMITTEE**

#### IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

##### 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 *RABAI Constituency 2022-2027* plan are to:

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

##### Progress on attainment of Strategic development objectives

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

s	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2022/23 -we increased number of classrooms, dormitories, laboratories etc - Bursary beneficiaries at all levels were as per the attached schedules
Security	Enhance security infrastructure, housing for security/ administration staff	Increased security for the residents of the constituency.	-Usable physical infrastructure toilets in the constituency.	In the FY 22/23 the RABAI NG-CDF is constructing 5 toilets at the offices for the area Chiefs and Assistant chiefs in the constituency aimed at improving service delivery to our constituents in matters of security and administration.

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---

Sports	Enhance sporting activities in the constituency to keep the youth engaged in a positive manner	Improvement of talents and reduction of negative vices like alcohol and drug abuse.	Number of uniforms and sporting equipment purchased	Uniforms purchased, balls and sporting shoes bought for atleast 30 clubs.
--------	--	---	---	---

## **V.Statement of Governance**

### **Introduction**

This report entails the process of appointment and removal of NG-CDF Members, roles and functions of the committee, Induction and training of members, Number of meetings held, disclose policy on conflict of interest, member's remuneration, Ethics and conduct and risk management.

The committee is composed of two youth's men and women and two adults recruited through a selection panel. The selection panel also recruits a representative of the person living with disability to ensure that they are well represented.

The NGCDF committee is composed of 10 members: The national government official responsible for co-ordination of national government functions; two men, two women One person with disability nominated by a registered group, two persons nominated by the constituency office, the officer of the board seconded to the constituency committee and One member co-opted by the board in accordance with regulations made by the board.

### **Procedure of Appointment of Members**

The appointment of the 9 committee members was subjected to the provision in the National Government Constituencies Fund Act no.30 of 2015:

- (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.

### **Induction**

The committee members were introduced to their responsibilities during their first meeting on December 15 2022.

The Chairperson was appointed and their core-business outlined out to them on what they were expected to and what they were to expect even as they serve in the same capacity.

#### **Removal of the NGCDF Committee Member**

The removal process of any member is imposed to the provisions of the NG-CDF Act;

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practices;
- (f) Causing disharmony within the committee;
- (g) Physical or mental infirmity.

#### **Roles and functions of the committee**

The responsibilities of the NGCDF Board Committee Includes:

1. Allocation of Funds to the projects considering bill of quantity estimates.
2. Assess projects before, during and after undertaken.
3. Prepare strategic plan for the constituency.
4. Coordinate and review reports from the NG-CDF employees.
5. Employ staff needed to run specific roles at the NG-CDF Office.

#### **Trainings**

In the financial year 2022/2023 our Board Committee had a chance to attend training twice at Mombasa to enhance their effectiveness to handle their responsibilities.

These trainings are to equip them with needed skills and values to hold their responsibilities, effectively execute viable decision by teaching them the parameters of decision making.

Capacity building to facilitate a responsible and an objective oriented committee to facilitate well defined goals in their development's meetings.

#### **Number of meetings**

The NG-CDF Committee has managed to have 12 meetings within the financial Year 2022/2023 which is within the provision of the act to.

#### **Disclose Policy on Conflict of Interest**

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---

Conflict of interest has always been part of the agenda in their meetings but there has been not even one member who has raised any.

**Remuneration**

The Committee members do not have a defined monthly Salary; they receive a 5,000/= allowance per sitting.

**Ethics and Conduct**

To ensure that order and ethics are esteemed, there are aspects over-emphasized in the membership;

- a. Confidentiality
- b. Integrity.
- c. Willingness.
- d. Openness
- e. Transparency.

Members take oath into office before they begin their service.

**Risk Management**

To ensure that all risks are managed well;

1. Through the risk management platform.
2. Project Management Committee oversees all the projects being undertaken.
3. Creation of a good working environment at the office for working.
4. Consideration of bill of quantities before allocation of finances.
5. Appropriate mechanism put up to facilitate effective bursary issuance.
6. Allocation of enough funds ongoing projects to prevent under-budgeting.
7. Constant and continuous assessment of NGCDF Projects.
8. There is well structured channel between the Board and the Constituency.
9. There is provision of inflation in the Bills of quantity.
10. There is well fitted security at the office, site where projects are undertaken and during assessment.
11. Continuous and constant capacity building of the employees, Board members and the stakeholders for the effectiveness.

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

RABAI NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

### **1. Sustainability strategy and profile -**

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

- a. **Education and Training:** RABAI NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

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

## **2. Environmental performance**

The committee allocates money every financial year for purchasing tree seedling in school.

Through this students carry out environmental conservation activities e.g planting trees once in an academic calendar

The committee ensures Sensitization of youth/ community on the impact of drugs during the construction of police stations supported NG-CDF during the public participations held annually. Through sporting activities/ tournament which bring communities together and they are sensitized on environmental conservation matters.

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

## **3. Employee welfare**

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

RABAI NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

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

##### **Public Participation in Project Identification and Implementation and Monitoring**

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

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

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

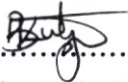
---

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.

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



.....  
**Name: Beatrice Kulaphira Tembe**  
**Fund Account Manager.**

## **VII. Statement of Management Responsibilities**

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

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

The Accounting Officer in charge of the NGCDF-RABAI Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- RABAI Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF RABAI 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

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

---

form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF- RABAI Constituency financial statements were approved and signed by the Accounting Officer on 15/03 2024.



.....  
**Name: Emmanuel Muhaso Muhaso**  
**Chairman – NGCDF Committee**



.....  
**Name: Beatrice Kulaphira Tembe**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - RABAI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

---

### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Rabai Constituency set out on pages 1 to 43, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement

---

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

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 matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Rabai Constituency as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Qualified Opinion**

#### **Unsupported Project Management Committees Account Balance**

Note 18.4 and Annex 5 to the financial statement reflects Project Management Committees (PMC) account balance of Kshs.5,633,668. However, the balance was not supported by cashbooks and bank reconciliation statements for the individual PMC accounts.

In the circumstances, accuracy and completeness of PMC account balance of Kshs.5,633,668 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Rabai Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing 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 final receipts budget and actual on comparable basis of Kshs.147,761,702 and Kshs.96,564,669 respectively, resulting to under-funding of Kshs.51,215,033 or 35% of the budget. However, the Fund spent Kshs.80,180,764 against actual receipts of Kshs.96,564,669, resulting to an under-utilization of Kshs.16,383,905 or 17% of the actual receipts.

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

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. There were no key audit matters to report in the year under review.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Non-Implementation of Projects**

The statement of receipts and payments reflects transfers to other Government units totalling Kshs.18,300,000 as disclosed in Note 7 to the financial statements. The balance includes Kshs.12,300,000 and Kshs.6,000,000 in respect of transfers to primary and secondary schools respectively. Review of Project Management Committee (PMC) records revealed that five (5) PMCs received a total of Kshs.12,700,000 for drilling of four (4) boreholes in three (3) primary schools and one (1) secondary school at a cost of Kshs.3,000,000 each while one (1) PMC received Kshs.700,000 for procurement of desks for a primary school. However, physical inspection in the month of March, 2024 revealed that the projects had not started.

In the circumstances, value for money allocated to the projects could not be confirmed.

#### **2. Delayed Completion of Projects**

The statement of receipts and payments reflects other grants and other transfers amount of Kshs.50,109,375 as disclosed in Note 8 to the financial statements. Included in the amount was a payment amounting to Kshs.1,675,000 made in respect of security projects. However, records reviewed during the audit in the month of March, 2024 revealed that two (2) projects relating to construction of two (2) pit latrines were still at the excavation level, even though they were supposed to be completed within three (3) months from October, 2022.

In the circumstances, value for money allocated to the two projects could not be confirmed.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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


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

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

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

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

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

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**19 June, 2024**




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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	87,000,000	179,177,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	103,000
<b>Total Receipts</b>		<b>87,000,000</b>	<b>179,280,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,595,602	3,227,212
Committee expenses	5	3,547,550	4,941,925
Use Of Goods and Services	6	5,085,173	4,923,908
Transfers To Other Government Units	7	18,300,000	92,875,118
Other Grants and Transfers	8	50,109,375	86,961,665
Acquisition Of Assets	9	-	98,760
Oversight Committee Expenses	10	543,064	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>80,180,764</b>	<b>193,028,588</b>
<b>Surplus/(Deficit)</b>		<b>6,819,236</b>	<b>(13,747,830)</b>

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

The Constituency financial statements were approved by the NGCDFC on 15/03 2024 and signed by:

		
_____ Fund Account Manager	_____ National Sub-County Accountant	_____ Chairman NG-CDF Committee
Name: Beatrice Kulaphira Tembe	Name: Ganja Mwalolo Mwangemi ICPAK M/No: 27869	Name: Emmanuel Muhaso Muhaso

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

**X. Statement of Assets and Liabilities As At 30th June, 2023**


	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	16,365,905	9,546,669
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>16,365,905</b>	<b>9,546,669</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>16,365,905</b>	<b>9,546,669</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>16,365,905</b>	<b>9,546,669</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	9,546,669	23,294,499
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		6,819,236	(13,747,830)
<b>Net Financial Position</b>		<b>16,365,905</b>	<b>9,546,669</b>

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


The Constituency financial statements were approved by NG CDFC on 15/03 2024 and signed by:

  
\_\_\_\_\_  
Fund Account Manager

Name: Beatrice Kulaphira  
Tembe

  
\_\_\_\_\_  
National Sub-County  
Accountant

Name: Ganja Mwalolo  
Mwangemi  
ICPAK M/No: 27869

  
\_\_\_\_\_  
Chairman NG-CDF  
Committee

Name: Emmanuel Muhaso  
Muhaso

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

**XI. Statement Of Cash Flows for The Year Ended 30th June 2023**


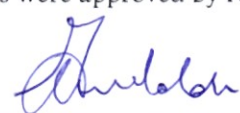

	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	87,000,000	179,177,758
Other Receipts	3	-	103,000
<b>Total Receipts</b>		<b>87,000,000</b>	<b>179,280,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,595,602	3,227,212
Committee Expenses	5	3,547,550	4,941,925
Use Of Goods and Services	6	5,085,173	4,923,908
Transfers To Other Government Units	7	18,300,000	92,875,118
Other Grants and Transfers	8	50,109,375	86,961,665
Oversight Committee Expenses	10	543,064	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>80,180,764</b>	<b>192,929,828</b>
<b>Total Receipts Less Total Payments</b>		<b>6,819,236</b>	<b>(13,649,070)</b>
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>6,819,236</b>	<b>(13,649,070)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	(98,760)
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>(98,760)</b>
Net Increase In Cash And Cash Equivalent		<b>6,819,236</b>	<b>(13,747,830)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>12</b>	<b>9,546,669</b>	<b>23,294,499</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>12</b>	<b>16,365,905</b>	<b>9,546,669</b>

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

---

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 15/03/2024 and signed by:

 _____ <b>Fund Account Manager</b>	 _____ <b>National Sub-County Accountant</b>	 _____ <b>Chairman NG-CDF Committee</b>
<b>Name: Beatrice Kulaphira Tembe</b>	<b>Name: Ganja Mwalolo Mwangemi ICPAK M/No: 27869</b>	<b>Name: Emmanuel Muhaso Muhaso</b>

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

XII. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>							
Transfers From NGCDF Board	138,215,033	9,546,669	0	147,761,702	96,546,669	51,215,033	65.3%
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	#DIV/0!
<b>Totals</b>	<b>138,215,033</b>	<b>9,546,669</b>	<b>0</b>	<b>147,761,702</b>	<b>96,546,669</b>	<b>51,215,033</b>	<b>65.3%</b>
<b>Payments</b>							
Compensation Of Employees	3,234,000	567,537		3,801,537.00	2,595,602	1,205,935	68.3%
Committee Expenses	4,408,564	1,090,262		5,498,825.91	3,547,550	1,951,276	64.5%
Use Of Goods and Services	4,768,516	1,298,788		6,067,304.00	5,085,173	982,131	83.8%
Transfers To Other Government Units	63,834,199			63,834,199.00	18,300,000	45,534,199	28.7%

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
<b>Receipts</b>							
Other Grants and Transfers	58,411,190	6,220,582		64,631,772.00	50,109,375	14,522,397	77.5%
Acquisition of Assets				-	-	-	#DIV/0!
Oversight Committee Expenses	1,358,564			1,358,564.00	543,064	815,500	40.0%
Other Payments	2,200,000			2,200,000.00	-	2,200,000	0.0%
Funds Pending Approval**		369,500		369,500.00	-	369,500	
<b>Totals</b>	<b>138,215,033</b>	<b>9,546,669</b>	<b>0</b>	<b>147,761,702</b>	<b>80,180,764</b>	<b>67,580,938</b>	<b>54.3%</b>

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

**Explanatory Notes.**

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

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

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

(c) Underutilization of funds for compensation of employees and use of goods and services, 85% and 81% respectively was because funds were budgeted to cater for expenses three months after closure of the financial year before disbursement of funds for FY 2022 2023 is done.

(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	67,580,938
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	51,215,033
	16,365,905
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	16,365,905

The Constituency financial statements were approved by NG CDFC on 15/03 2024 and signed by:

  
 Fund Account Manager

Name: Beatrice Kulaphira Tembe

  
 National Sub-County Accountant

Name: Ganja Mwalolo Mwangemi  
 ICPAK M/No: 27869

  
 Chairman NG-CDF Committee

Name: Emmanuel Muhaso Muhaso

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

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

Programme/Sub-programme	Original Budget	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
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,848,880	567,537.00		4,416,417	2,595,602	1,820,815
1.2 Committee allowances	1,350,000	646,435.00		1,996,435	1,652,910	343,525
1.3 Use of goods and services	3,068,200	199,517.07		3,267,717	2,667,208	600,509
<b>Sub-total</b>	<b>8,267,080</b>	<b>1,413,489</b>	<b>-</b>	<b>9,680,569</b>	<b>6,915,720</b>	<b>2,764,849</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,550,000	498,869.00		2,048,869	1,678,746	370,123
2.2 Committee allowances	1,300,000	398,175.92		1,698,176	1,694,230	3,946
2.3 Use of goods and services	1,294,000	635,444.75		1,929,445	948,192	981,253
<b>Sub-total</b>	<b>4,144,000</b>	<b>1,532,490</b>	<b>-</b>	<b>5,676,490</b>	<b>4,321,168</b>	<b>1,355,321</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						

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

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			
<b>Sub-total</b>	7,636,190	-		7,636,190	-	7,636,190
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools						
4.2 Secondary Schools	20,000,000	1,100,500.00		21,100,500	21,100,500	-
4.3 Tertiary Institutions	16,897,000	2,374,175.00		19,271,175	19,250,675	20,500
4.4 Universities				-		-
4.5 Social Security				-		
<b>Sub-total</b>	36,897,000	3,474,675	-	40,371,675	40,351,175	20,500
<b>5.0 Sports</b>						
5.1						
5.2		2,745,907.31		2,745,907	2,745,907	0
5.3	2,700,000			2,700,000	2,637,293	62,707
<b>Sub-total</b>	2,700,000	2,745,907		5,445,907	5,383,200	62,708
<b>6.0 Environment</b>						
Boyani Primary	337,500			337,500	337,500	-
Kaoyeni Primary	337,500			337,500	337,500	-
Bwagamoyo Primary	337,500			337,500	337,500	-

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

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			
Changombe Primary	337,500			337,500	337,500	-
Makanzani Primary	337,500			337,500	337,500	-
Kawala Primary	337,500			337,500	337,500	-
Makobeni Primary	337,500			337,500	337,500	-
Maereni Primary	337,500			337,500	337,500	-
<b>Total</b>	<b>2,700,000</b>	-	-	<b>2,700,000</b>	<b>2,700,000</b>	-
<b>7.0 Primary Schools Projects (List all the Projects)</b>						
Chiferi Primary School	3,000,000			3,000,000	3,000,000	-
Jimba Primary School	3,000,000			3,000,000	3,000,000	-
Mbungoni Primary	1,000,000			1,000,000		1,000,000
Kailo Primary School	700,000			700,000	700,000	-
Mwele Primary School	700,000			700,000	700,000	-
Masaani Primary School	700,000			700,000	700,000	-
Jimba Primary School	700,000			700,000	700,000	-
Chonyi Primary School	700,000			700,000	700,000	-
Mikahani Primary School	700,000			700,000	-	700,000
Malau Primary School	700,000			700,000	700,000	-

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

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			
Ribe Primary School	700,000			700,000	700,000	-
Kalia Ng'ombe Primary School	700,000			700,000	700,000	-
Kasidi Primary School	700,000			700,000	700,000	-
Bofu Primary	11,000,000			11,000,000		11,000,000
Kanyumbuni Primary	11,000,000			11,000,000		11,000,000
Pangani Primary	11,000,000			11,000,000		11,000,000
<b>Sub-total</b>	<b>47,000,000</b>	-	-	<b>47,000,000</b>	<b>12,300,000</b>	<b>34,700,000</b>
<b>8.0 Secondary Schools Projects (List all the Projects)</b>						
Kamoti Secondary School	10,937,199			10,937,199		10,937,199
Ribe Girls Secondary School	3,000,000			3,000,000	3,000,000	-
Reverend Canon Kuri Secondary School	3,000,000			3,000,000	3,000,000	-
				-		-
				-		-
<b>Total</b>	<b>16,937,199</b>	-	-	<b>16,937,199</b>	<b>6,000,000</b>	<b>10,937,199</b>
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>						
9.1						

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

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			
9.2						
9.3						
<b>Sub-total</b>						
<b>10.0 Security Projects</b>						
Mleji Assistant Chief's Office	1,675,000.00			1,675,000	1,675,000	-
Chang'ombe Assistant Chief's Office	1,675,000.00			1,675,000		1,675,000
Bengo Assistant Chief's Office	1,675,000.00			1,675,000		1,675,000
Buni Assistant Chief's Office	1,675,000.00			1,675,000		1,675,000
Kinunguna Assistant Chief's Office	1,675,000.00			1,675,000		1,675,000
<b>Total</b>	<b>8,375,000</b>	-	-	<b>8,375,000</b>	<b>1,675,000</b>	<b>6,700,000</b>
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers	-	10,608.00	-	10,608	-	10,608
11.5 Purchase of land						
<b>Sub-total</b>	-	10,608.00	-	10,608	-	10,608

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

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			
<b>12.0 Oversight Committee Expenses (itemize)</b>						
NG-CDF COC allowance	400,000.00			400,000	384,500	15,500
Travel Costs (airlines, bus, railway, mileage allowances, etc.)	150,000.00		-	150,000	150,000	-
Other committee expenses	158,564.00			158,564		158,564
Hire of Training Facilities and Equipment	250,000.00			250,000		250,000
Production and Printing of Training Materials	150,000.00		-	150,000		150,000
Daily Subsistence Allowance	250,000.00		-	250,000		250,000
<b>Total</b>	<b>1,358,564</b>		<b>-</b>	<b>1,358,564</b>	<b>534,500</b>	<b>824,064</b>
<b>13.0 Others</b>						
13.1 Strategic Plan	2,200,000			2,200,000		2,200,000
13.2 Innovation Hub		369,500.00		369,500		369,500
13.2						
<b>Sub-total</b>	<b>2,200,000</b>	<b>369,500</b>	<b>-</b>	<b>2,569,500</b>	<b>-</b>	<b>2,569,500</b>
Funds pending approval**						
<b>Total</b>	<b>138,215,033</b>	<b>9,546,669</b>	<b>-</b>	<b>147,761,702</b>	<b>80,180,763</b>	<b>67,580,939</b>

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

---

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

#### **XIV. Significant Accounting Policies**

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

##### **1. Statement of Compliance and Basis of Preparation**

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

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

##### **2. Reporting Entity**

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

##### **3. Reporting Currency**

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

##### **4. Significant Accounting Policies**

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

###### **a) Recognition of Receipts**

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

***Significant Accounting Policies continued***

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

***Significant Accounting Policies Continued***

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

**14. Errors**

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

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

**15. Related Party Transactions**

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

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

**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
NGCDF Board	<b>Kshs</b>	<b>Kshs</b>
AIE NO. B 105268	-	33,000,000
AIE NO. B 105402	-	34,000,000
AIE NO. B 105617	-	10,000,000
AIE NO. B 105912	-	22,000,000
AIE NO. B 128677	-	5,000,000
AIE NO. B 128988		12,000,000
AIE NO. B 154185		12,000,000
AIE NO. B 154409		18,000,000
AIE NO. B 154467		24,088,879
AIE NO. B 089080		9,088,879
AIE NO. B 185230	7,000,000.00	-
AIE NO. B 185404	6,000,000.00	-
AIE NO. B 185761	15,000,000.00	-
AIE NO. B 205578	12,000,000.00	-
AIE NO. B 205873	12,000,000.00	-
AIE NO. B 206081	5,000,000.00	-
AIE NO. B 207635	15,000,000.00	-
AIE NO. B 297995	15,000,000.00	-
<b>TOTAL</b>	<b>87,000,000.00</b>	<b>179,177,758</b>

**2. Proceeds From Sale of Assets**

	<b>2022-2023</b>	<b>2021-2022</b>
--	------------------	------------------

**Rabai Constituency**

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

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

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

**3. Other Receipts**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	103,000
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>-</b>	<b>103,000</b>

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

*Notes To the Financial Statements (Continued)*

**4. Compensation of Employees**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,421,758.00	2,144,959
Personal allowances paid as part of salary		45,000
House Allowance	-	412,000
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	151,164.00	604,653
Employer Contributions Compulsory national social security schemes	22,680.00	20,600
<b>Total</b>	<b>2,595,602.00</b>	<b>3,227,212</b>

**5. Committee Expenses**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	2,736,195	4,656,925
Other committee expenses	811,355	285,000
<b>Total</b>	<b>3,547,550</b>	<b>4,941,925</b>

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

**6. Use of Goods and services**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	124,514.64	0
Communication, supplies and services	316,547.50	0
Domestic travel and subsistence	337,090.00	0
Printing, advertising and information supplies & services	116,935.94	0
Rentals of produced assets	-	-
Training expenses	1,578,746.00	2,174,200
Hospitality supplies and services	163,056.00	0
Insurance costs	177,318.00	116,562
Specialised materials and services	-	-
Office and general supplies and services	1,027,851.36	869,636
Fuel , oil & lubricants	618,898.00	872,000
Other operating expenses	17,203.00	144,138
Bank Charges	20,000.00	382,797
Security operations	-	364,575
Routine maintenance - vehicles and other transport equipment	542,812.50	0
Routine maintenance- other assets	44,200.00	-
<b>Total</b>	<b>5,085,172.94</b>	<b>4,923,908.00</b>

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

**Notes To The Financial Statements (Continued)**

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	12,300,000.00	43,700,000
Transfers To Secondary Schools (See Attached List)	6,000,000.00	49,175,118
Transfers To Tertiary Institutions (See Attached List)	-	
<b>Total</b>	<b>18,300,000.00</b>	<b>92,875,118</b>

**8. Other Grants and Other transfers**

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,100,500.00	26,634,100
Bursary – tertiary institutions (see attached list)	19,250,675.00	22,139,010
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security projects (see attached list)	1,675,000.00	24,200,000
Sports projects (see attached list)	5,383,200.00	2,741,778
Environment projects (see attached list)	2,700,000.00	2,741,777
Emergency projects (see attached list)	-	7,725,000
Roads projects (see attached list)	-	-
NG-CDF Motor vehicle parking shade		780,000
<b>Total</b>	<b>50,109,375.00</b>	<b>86,961,665</b>

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

**Notes To the Financial Statements (Continued)**

**9. Acquisition Of Assets**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	98,760
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets		
<b>Total</b>	-	<b>98,760</b>

**10. Oversight Committee Expenses**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	543,064.00	-
Other COC expenses	-	-
<b>TOTAL</b>	<b>543,064.00</b>	-

**11. Other Payments**

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

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

**12. Cash Book Bank Balance**

<b>Name Of Bank, Account No. &amp; Currency</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>AFRICAN BANKING CORPORATION LIMITED(main account)</i>	<b>16,365,905.35</b>	<b>9,546,669</b>
Kenya Commercial Bank,A/C no. Branch . (deposit account)	-	-
<b>TOTAL</b>	<b>16,365,905.35</b>	<b>9,546,669</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>		

**13. Outstanding Imprests**

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

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

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

**Notes to the Financial Statement Continued**

**14. Retention and Gratuity**

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

<b>14 B. Gratuity</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	151,164	604,653
Gratuity paid during the Year (C)	151,164	604,653
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

**15. Fund Balance B/F**

	<b>(1<sup>st</sup> July 2022)</b>	<b>(1<sup>st</sup> July 2021)</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	37,954,376.03	23,294,499
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>37,954,376.03</b>	<b>23,294,499</b>
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
<b>Fund Balance Brought Forward</b>		

*[Provide short appropriate explanations as necessary]*

*Rabai Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

**16. Prior Year Adjustments**

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	-

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

**17. Changes In Accounts Receivable – Outstanding Imprests**

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

**18. Changes In Accounts Payable – Deposits and Retentions**

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

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

**Notes To the Financial Statements (Continued)**

**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

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

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

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

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

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	1,820,815	567,537
Committee expense	-	-
Use of goods and services	2,299,355	2,378,441
Amounts due to other Government entities (see attached list)	45,637,199	-
Amounts due to other grants and other transfers (see attached list)	14,419,398	6,220,583
Acquisition of assets	10,608	10,608
Oversight Committee Expenses	824,064	-
Other Payments ( <i>specify</i> )	2,200,000	369,500
Funds pending approval	369,500	-
<b>Total</b>	<b>67,580,939</b>	<b>9,546,669.00</b>

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

---

**18.4: PMC account balances (See Annex 5)**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	5,633,668.90	50,216,566
<b>Total</b>	<b>5,633,668.90</b>	<b>50,216,566</b>

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

**XVI. Annexes**

**Annexes: 1 Analysis of Pending Accounts Payable**

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

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

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

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

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

---

**Annex 3 – Unutilized Fund**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
Compensation of employees		1,820,815	567,537.00	
Use of goods & services		2,299,355	2,378,441	
Amounts due to other Government entities				
<b>Emergency</b>		<b>7,636,190</b>	3,124,154	
Mbungoni Primary		1,000,000		
Mikahani Primary School		700,000		
Bofu Primary		11,000,000		
Kanyumbuni Primary		11,000,000		
Pangani Primary		11,000,000		
<b>SUBTOTAL</b>		<b>34,700,000</b>		
Kamoti Secondary School		10,937,199		
Ribe Girls Secondary School		-		
Reverend Canon Kuri Secondary School		-		
<b>TOTAL</b>		<b>10,937,199</b>		
Amounts due to other grants and other transfers				
4.1 Secondary Schools		-	318,931	
4.2 Tertiary Institutions		20,500	31,590	
4.3 Social Security		-		
4.4 Special Needs				

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
<b>TOTAL</b>		20,500		
5.0 Sports		0	2,745,907.31	
5.1		62,707		
<b>Total</b>		<b>62,708</b>	<b>6,220,588</b>	
10.0 Security Projects				
Chang'ombe Assistant Chief's Office		1,675,000		
Bengo Assistant Chief's Office		1,675,000		
Buni Assistant Chief's Office		1,675,000		
Kinunguna Assistant Chief's Office		1,675,000		
<b>Total</b>		<b>6,700,000</b>		
Acquisition of assets		10,608	10,608	
<b>Oversight Committee Expenses (itemize )</b>				
NG-CDF COC allowance		15,500		
Travel Costs (airlines, bus, railway, mileage allowances, etc.)		-		
Other committee expenses		158,564		
Hire of Training Facilities and Equipment		250,000		
Production and Printing of Training Materials		150,000		
Daily Subsistence Allowance		250,000		
Sub-Total		<b>824,064</b>		
<b>13.0 Others</b>				

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
13.1 Strategic Plan		2,200,000		
Funds pending approval		369,500	369,500	
<b>Grand Total</b>		<b>67,580,939</b>	<b>9,546,669</b>	

*Rabai Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*  
**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End</b>
Land	350,000.00			350,000.00
Buildings and structures	17,498,279			17,498,279
Transport equipment	7,162,747			7,162,747
Office equipment, furniture and fittings	1,553,878			1,553,878
ICT Equipment, Software and Other ICT Assets	-			-
Other Machinery and Equipment	1,176,214			1,176,214
Heritage and cultural assets	-			-
Intangible assets	-			-
<b>Total</b>	<b>27,741,118</b>			<b>27,741,118</b>

*Rabai Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*  
**Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Bedida Primary School	Co-operative Mariakani	01141764916100		2,927,967
Bofu Primary School	Co-operative Mariakani	01141764918500	<b>239,788.20</b>	369,569
Boheka Primary School	Co-operative Mariakani	01141764917800		693,098
Boyani Primary School	Co-operative Mariakani	01141765506900	104,975.00	2,198,975
Bwagamoyo Police Post	Co-operative Mariakani	01141765430000	475.00	450,294
Bwagamoyo Primary School	Co-operative Mariakani	01141764914000	11,001.50	1,173,002
Chang'ombe Primary School PMC	Co-operative Mariakani	01141764915600	177,814.65	
Chiferi Secondary School	Co-operative Mariakani	01141765507000	222,451.40	1,114,093
Chonyi Primary School	Co-operative Mariakani	01141765470500	1,475.00	2,216,975
Jeuri Primary School	Co-operative Mariakani	01141765506700		1,298,975
Jimba Primary School PMC	Co-operative Mariakani	01141765611800	700,000.00	
Kailo Primary School	Co-operative Mariakani	01141764918600	700,000.00	291,247
Kaliangombe Primary School PMC	Co-operative Mariakani	01141765076800	118,620.00	
Kambe Secondary School	Co-operative Mariakani	01141764917600		19,901
Kamoti Secondary School	Co-operative Mariakani	01141765459000		2,567,700
Kaoyeni Primary School	Co-operative Mariakani	01141764915000	312,676.78	1,734,948
Kasidi Primary School	Co-operative Mariakani	01141765459400	763.63	1,806,550

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

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
	Co-operative Marakani	01141765352900		6,046,855
	Co-operative Marakani	01141764913500	360.55	308,371
	Co-operative Marakani	01141765390800		2,405,175
	Co-operative Marakani	01141765256100		170,568
	Co-operative Marakani	01141765152800	80,645.00	80,645
	Co-operative Marakani	01141765348400	69,789.80	
	Co-operative Marakani	01141765159000	31,033.00	
	Co-operative Marakani	01141765159100	18,511.75	
	Co-operative Marakani	01141765459100		249,187
	Co-operative Marakani	01141765459500		1,460,975
	Co-operative Marakani	01141764913800		1,336,332
	Co-operative Marakani	01141765507700	1,031,975.00	5,999,975
	Co-operative Marakani	01141764915100		1,301,731
	Co-operative Marakani	01141765254000		1,380,753
	Co-operative Marakani	01141765506800		548,975
	Co-operative Marakani	01141764916300		153,766
	Co-operative Marakani	01141765254100		250,228
	Co-operative Marakani	01141254631900	3,059.00	185,059
	Co-operative Marakani	01141765389900	10.68	4,017,475

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance Current FY</b>	<b>Bank Balance Previous FY</b>
Rabai Secondary School	Co-operative Mariakani	01141765427700	76,944.00	533,585
Ribe Primary School	Co-operative Mariakani	01141765040500	240,025	2,440,025
Ziro Primary School	Co-operative Mariakani	01141765458500		581,599
Kambe/Ribe Police station	Co-operative Mariakani	01141254631900		1,901,998
Boheka Primary School	Co-operative Mariakani	01141765152800		-
Bwagamoyo Primary School	Co-operative Mariakani	01141765459100		-
Chang'ombe Secondary School	Co-operative Mariakani	01141765459500	5,762.18	-
Chiferi Primary School	Co-operative Mariakani	01141764913800		-
Gandani Primary School	Co-operative Mariakani	01141765507700		-
Isaac Nyundo Primary School	Co-operative Mariakani	01141764915100		-
Jimba Primary School	Co-operative Mariakani	01141765254000		-
Jimba Secondary School	Co-operative Mariakani	01141765506800		-
Kajiwe Primary School	Co-operative Mariakani	01141764916300		-
Kaliangombe Primary School	Co-operative Mariakani	01141765254100		-
Kambe/Ribe Police station	Co-operative Mariakani	01141254631900	97.63	-
Kangakamo Primary School	Co-operative Mariakani	01141765389900		-
Kasidi Secondary School	Co-operative Mariakani	01141765427700	502,373.00	-
Kinunguna Primary School	Co-operative Mariakani	01141765040500		-
Lugwe Primary School	Co-operative Mariakani	01141765458500		-

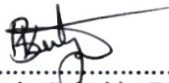
*Rabai Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance Current FY</b>	<b>Bank Balance Previous FY</b>
Maereni Assistant Chief	Co-operative Mariakani	01141765313100	-	-
Maereni Primary School	Co-operative Mariakani	01141765256100		-
Makobeni Primary School	Co-operative Mariakani	01141765152800		-
Malau Primary School	Co-operative Mariakani	01141765348400		-
Masaani Primary school	Co-operative Mariakani	01141765159000		-
Mbwaka Primary School	Co-operative Mariakani	01141765159100		-
Mikomani Assistant Chief	Co-operative Mariakani	01141765153500	-	-
Mitsajeni Primary School	Co-operative Mariakani	01141765254000		-
Miyuni Assistant Chief	Co-operative Mariakani	01141765335100	68,386.55	-
Mwangutwa Primary School	Co-operative Mariakani	01141765254100	1,888.20	-
Mwanjama Primary School	Co-operative Mariakani	01141765077000	424,662.10	-
Mwatsama Primary School	Co-operative Mariakani	01141765318000		-
Rev. Canon Kuri secondary school	Co-operative Mariakani	01141764917500	46,655.05	-
Ribe Boys High School	Co-operative Mariakani	01141765152300	360.50	-
Ribe Boys High School	Co-operative Mariakani	01141764915700	441,088.75	
Ribe Primary School	Co-operative Mariakani	01141765040500		-
<b>Total</b>			<b>5,633,668.90</b>	<b>50,216,566</b>

*Rabai Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*  
**Annex 6: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	N/A			
	N/A			



.....  
 Beatrice Kulaphira Tembe  
 Fund Account Manager.

