REPUBLIC OF KENYA

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REPORT

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THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOUTH MUGIRANGO CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2024

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 05 MAR 2025 DAY: Wednesday
TABLED BY: Hon. Owen Baya, MP Deputy Leader of Majority
CLERK-AT-THE-TABLE: Esther Nginyo

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

SOUTH MUGIRANGO CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations: Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

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

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

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

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Francis Ogutu Onyango
2.	National Sub-County Accountant	Richard Nyachoti
3.	Chairman NGCDFC	Teresa Bochere Mose
4.	Member NGCDFC	Ezekiel Mogere Ombaso

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF South Mugirango Constituency Headquarters

P.O. Box 991-40200
CDF Office Complex Building
Kamagambo Etago Road

(f) NGCDF South Mugirango Constituency Contacts

Telephone: (254) 725912723
E-mail: cdfsouthmugirango@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF South Mugirango Constituency Bankers

1. Bank A. (Operations Account).
   Cooperative Bank
   Account Number- 01120018205600
   Rongo Branch
   P.O. Box 91-40404
   Rongo

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report

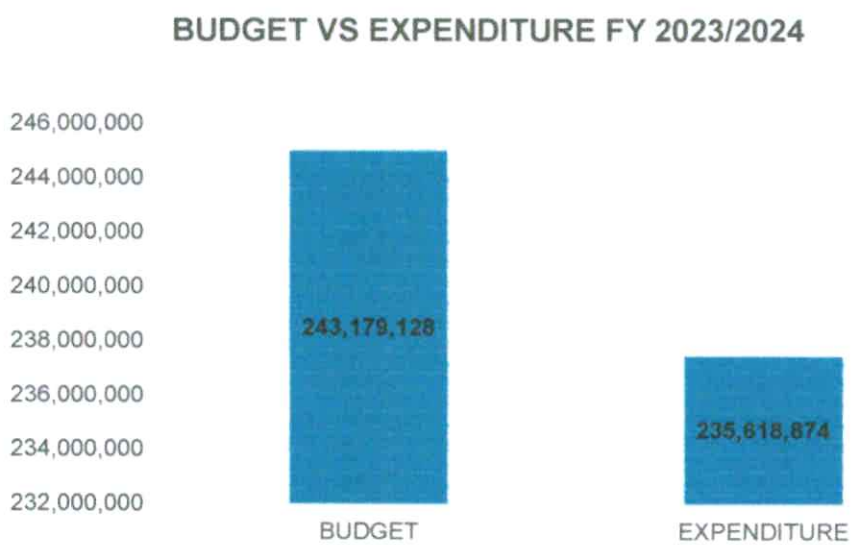
Chairperson-Teresa Mose Bochere

In the last financial year 2023/2024 South Mugirango Constituency received a total disbursement of Kshs. 200,074,846. This covers the outstanding disbursements from the NG CDF board of Kshs. 45,684,045 received and Kshs. 154,390,801 received being part of this year's approved allocations of Kshs. 202,779,434. This makes the current balance of the funds pending approval from the board to be Kshs. 71,287,017.

During the financial year under review the constituency spent Kshs. 235,618,874 this includes a total of Kshs. 207,326,440 that was disbursed and spent on projects and bursary allocations. This translates to an absorption rate of 97.7% of the total disbursements received in the financial year 2023/2024. Further, the amount spent was over in the current financial year by Kshs. 35,482,028.

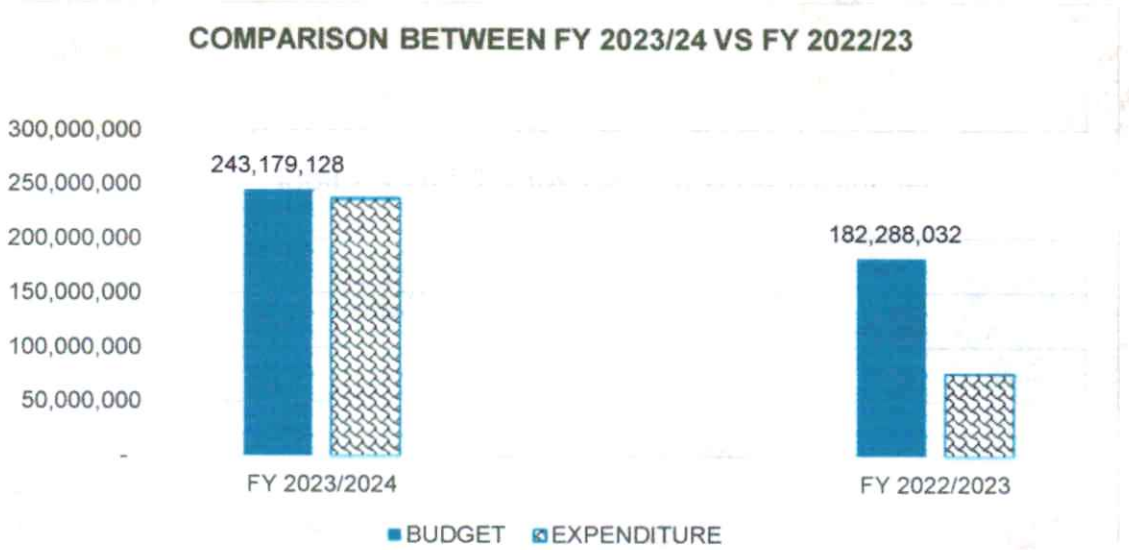
The following is the graphical analysis of the annual budget against the annual expenditure for the FY 2023/2024.

1. BUDGET VS EXPENDITURE FY 2023/2024



South Mugirango NG-CDF has implemented various projects which follows the clear set performance indicators and time frame under each of the national functions priorities that is education infrastructure, bursary, education programmes, security, sports and environment through equity and sustainable development in poverty eradication and development within the constituency during the financial year 2023/2024 under review.

COMPARISON BETWEEN FY 2023/2024 VS FY 2022/2023: RECEIPTS VS PAYMENTS



KEY ACHIEVEMENTS:

During the financial year on review the NG CDF committee was able disburse a total of Kshs 87 Million towards bursary allocations to help needy students and another Kshs 17 Million towards various projects within the constituency.

Provided below are some of the sample pictures of the projects implemented during the financial year 2023/2024

Administration Office Kenyoro Primary School

Maronngo PAG Secondary School Boys Dormitory

Moticho Girls Laboratory

EMERGING ISSUES:

Emerging issues include:

1. High demand for bursary disbursement due to high number of needy students within the constituency.
2. Construction materials are very expensive prompting shoddy projects within the constituency.

CHALLENGES:

1. Inaccessible roads to most of the schools
2. Late disbursement of funds from the NG-CDF board
3. Late project approval by the NG CDF Board by the end of the financial year
4. Schools built are not enough to cater for the large number of student enrolment due to free primary and secondary education.

RECOMMENDATIONS:

1. Timely project approval and disbursement of funds by NG-CDF Board will enable the NG CDF committee to implement all the projects as per the requirement of the law.
2. Increase of Bursary allocations and disbursements towards needy students.
3. Increase funding towards NG CDF kitty for the purposes of improving and transforming lives.

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Name: Teresa Bochere Mose
Chairman NGCDF Committee

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

Introduction

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

The key development objectives of the **NGCDF South Mugirango Constituency** 2022-2027 plan are to:

- Improve the quality of education and management of public learning institutions
- Improving local security and administration
- Initiating value addition programs for agricultural produce
- Protection of environment and natural resources
- Promotion of sports and sports education
- To build capacity of the community to implement developmental projects.
- Empower and train youths through establishing ICT Hubs and training centres.

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

Sector	Objective	Outcome	Indicator	Performance
Education	To enrol all the children who have attained the minimum required school attendance age	Increased enrolment in primary schools, junior secondary schools and attain 100% transition to secondary schools and tertiary institutions	Increased allocation of funds to Improve physical infrastructure in primary, secondary, and tertiary institutions and Increase bursary allocations to beneficiaries of all levels of education	In FY 2023/2024 We were able to complete 6 Primary schools and 7 Secondary schools and funds disbursed to Pmcs for new projects that comprises of junior secondary schools will be completed and ready for use. Bursary beneficiaries: A total of Ksh. 87 Million disbursed to cater for approximately 12,429 needy students at secondary schools and tertiary institutions towards needy students
Security	To have peaceful environment for security agencies and the constituents	Increase construction of administrative offices within the constituency	Improved security within the constituency	During the FY 2023/24 Under review We were able to implement 2 security projects which are Nduru Ass Chief's Office and Nyamondo Chief's Office

Environment	To improve environment by carrying out environmental improvement activities	Increased planting of trees both indigenous and fruit trees	Increased Number of tree seedlings for both indigenous and fruit trees	In the FY 2023/2024, were able to plant indigenous trees and constructed pit latrines, purchased water tanks for 18 schools within the constituency
Sports	Organize annual constituency sports events and tournaments	Recruit and engage youths and old in sporting within and outside the constituency through different tournaments	Increased Number sport events and tournaments organized within the constituency	In the FY 2023/2024 we held soccer tournaments in all six wards within the constituency and one final tournament to determine the overall champion.
Emergency	To cater for emergency cases within the constituency	Attend to Increased emergency cases within the constituency	Improve Responses to emergency cases within the constituency since more funds were disbursed to the constituency.	In the FY 2023/2024 we were able to disburse a total of Kshs. 6.8 Million to 15 schools to cater for emergency cases during the year on review.

5. Governance Statement

Appointment of NG-CDFC

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

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

2. The establishment of the National Government Constituency Development fund Committee shall comprise of;

a) The national Government official responsible for the coordination of national government functions.

b) Two men each nominated in accordance with sub section (3) of the NG CDF Act 2015, 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 sub section (3) of the Act

e) Two persons nominated by the constituency established under regulations made pursuant to the parliamentary service Act.

f) The officer of the board seconded in 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 the regulations made by the board.

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

The names of the persons selected under sub-section (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettement by the board.

The current NGCDFC members were gazetted in 9th December, 2022 and the first meeting was held in 16th December, 2022

The persons appointed are drawn from different groupings as follows:

- Male Adult-Ezekiel Mogere-Secretary
- Male youth David Agega Onduso- Member
- Female adult- Teresa Mose Bochere-Chairlady
- Female youth-Sabella Machogu-Member
- PWD REP- Nicodemus Ontomwa-secretary
- CO-opted Member- Job Ochari-Member
- Nominee of constituency Office Male-Justus Nyabuto-Member
- Nominee of constituency Office Female- Jackline Manyura-Member

b. **NG-CDFC Tenure**

The term of office of the members of the constituency committee shall be two years and shall be renewable but shall expire upon the appointment of a new constituency committee.

c. **The Role of the Constituency Committee**

i. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund

ii. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency;

iii. Ensure that all projects, proposed and approved for funding meets the requirements of Section 24 of the Act.

iv. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans

v. Consult with relevant government departments to ensure that cost estimates for the projects are realistic

vi. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board;

vii. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;

viii. Ensure labelling of projects as per guidelines issued by the Board;

ix. Recruit staff as per Section 45 of the Act.

d. Removal of a member

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

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

A decision to remove a member under subsection (13) shall be made through a resolution of at least five members of the committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

Whenever a vacancy occurs in the constituency committee by reasons of resignation, incapacitation or demise of a member, the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of thirty days.

e. NG-CDFC Induction and training

This is done in every financial year by the National Constituency Development Board.

f. Number of meetings;

NG-CDF Act Section stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In South Mugirango Constituency, the NG-CDF Committee conducted eighteen meetings and, six sub-committee meetings.

	Name of committee member	Meetings held								
		1/8/23	27/9/23	18/10/23	20/11/23	5/1/24	29/2/24	19/3/24	29/5/24	18/6/24
1	Teresa Bochere	√	√	√	√	√	√	√	√	√
2	Ezekiel Mogere	√	√	√	√	√	√	√	√	√
3	Francis Onyango	√	√	√	√	√	√	√	√	√
4	David Agega	√	√	√	√	√	√	√	√	√
5	Samwel Towet	√	√	√	√	√	√	√	√	√
6	Nicodemus Ontomwa	√	√	√	√	√	√	√	√	√
7	Sabella Machogu	√	√	√	√	√	√	√	√	√
8	Jackline Manyura	√	√	√	√	√	√	√	√	√
9	Job Ochari	√	√	√	√	√	√	√	√	√
10	Justus Nyabuto	√	√	√	√	√	√	√	√	√

g. Remuneration Rates

Each is entitled to Ksh. 5,000 per member and Kshs 7,000 for the chairperson.

h. Disclose the policy on conflict of interest

The Members are required to declare any conflict during meetings, which whenever declared, would be recorded in the minutes and in the register.

i. Succession plan

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

j. Ethics and code of conduct

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

k. Risk Management

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

- Identify and mitigate risks
- Identify and report

l. Dissolution of constituency Committee

A person may present a petition to the board for the dissolution of a constituency committee setting out the alleged facts constituting any one or more of the following grounds for dissolution

a) A serious violation of the constitution or any other law including a contravention of chapter Six
b) Gross misconduct, weather in performance of the member's or office holder's function or otherwise ;
c) Incompetence
d) Bankruptcy or
e) Any other cause as may be deemed justifiable

6. Environmental and Sustainability Reporting

The impacts of climate change such as resource scarcity and food insecurity can lead to heightened security risks including conflict between family members and neighbouring constituencies, it's because of this we are committed to building more prosperous future by providing services and projects that meet the development needs of our constituents.

1. **Sustainability strategy and profile -**

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

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

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

   c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through

activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

2. **Environmental performance**

- In the FY 2023/2024 we were able to disburse a total of Kshs. 6.8 Million to 15 schools to cater for emergency cases during the year on review to construct pit latrines to keep the environment clean, planted indigenous trees to conserve the soil and purchased water tanks to preserve water for use in various schools

3. **Employee welfare**

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

South Mugirango Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

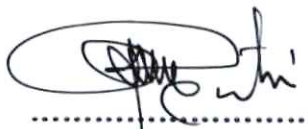
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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



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Name: Francis Ogutu Onyango
Fund Account Manager.

7. Statement of Management Responsibilities

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

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

The Accounting Officer in charge of the NGCDF-South Mugirango Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-South Mugirango 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 South Mugirango Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency*'s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- South Mugirango Constituency financial statements were approved and signed by the Accounting Officer on _30th June_____ 2024.

.....	.....
Name: Teresa Bochere Mose	**Name: Francis Ogutu Onyango**
Chairman – NGCDF Committee	**Fund Account Manager**

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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

PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - South Mugirango Constituency set out on pages 1

to 64, which comprise the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund -South Mugirango Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Unsupported Bursary Payments

The statement of receipts and payments, and as disclosed in Note 8 to the financial statements, reflect other grants and transfers amount of Kshs.99,172,210 which includes bursaries expenditure of Kshs. 86,336,810 which further includes bursary disbursements totaling Kshs.14,529,100, whose supporting receipts and acknowledgement letters from the respective receiving schools were not provided for audit.

In the circumstances, the accuracy, completeness and validity of other grants and transfers expenditure amounting to Kshs.99,172,210 could not be confirmed.

2.0 Unsupported Procurement of Buses

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflect transfer to other government units amount of Kshs.106,602,620 which includes transfers to secondary schools of Kshs.44,853,554.Included in the transfers to secondary of Kshs.44,853,554 is Kshs.20,036,100 transferred to Amaiko Secondary School and Ayora Secondary School in equal amounts of Kshs.10,018,050 for the purchase of school buses. However, Management has not provided log books, tender evaluation reports, contracts and inspection and acceptance committee reports for the acquired buses to support this expenditure.

In the circumstances, the accuracy, completeness and validity of transfers to other government units expenditure of Kshs.106,602,620 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis amounts of Kshs.306,905,891 and Kshs.243,241,128 respectively, resulting to an underfunding of Kshs.63,664,763 (or 21% of the budget). Similarly, the fund expended Kshs.235,618,874 against an approved budget of Kshs.306,905,891 resulting in an under expenditure of Kshs.71,287,017 (or 23% of the budget).
The underfunding and under expenditure affected the planned activities, impacting negatively on service delivery to the residents of South Mugirango Constituency.
My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Management has not resolved the issues. This is contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which requires the accounting officer to take appropriate measures to resolve any issues arising from audit which may remain outstanding.

Other Information

The Management is responsible for the other information set out on page iii to xxv which comprise of Key Constituency Information and Management, The NGCDF Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance

Statement, Environmental and Sustainability Reporting and Statement of Management Responsibilities, The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Transfer to Other Government Units

The statement of receipts and payments, and as disclosed in Note 7 to the financial statements, reflect an amount of Kshs.106,602,620 in respect of transfer to other government units. The following unsatisfactory matters were noted:

1.1 Incomplete Projects

1.1.1 Construction of Two (2) Classrooms at Riagumo Primary School

The transfers to other government units amount includes Kshs.2,072,172 disbursed to Riagumo Primary School for the construction of two classrooms. The Fund entered into a contract with a firm for the construction of two (2) classrooms at a contract sum of Kshs.2,068,808 on 4 September, 2024. The contract period was four (4) weeks. A certificate of practical completion was issued on 26 September, 2024. However, physical

inspection of the project on 27 November, 2024 revealed plastering and painting of the gable, electrical wiring, fixing of the blackboard and electrical fittings had not been done. In the circumstances, the value for money for the expenditure of Kshs.2,072,172 could not be confirmed.

1.1.2 Construction of Two (2) Classrooms at Bosaga DOK Primary School

The transfers to other government units amount includes Kshs.2,072,170 disbursed to Bosaga DOK Primary School for the construction of two (2) classrooms. The Fund entered into a contract with a firm for the construction of two classrooms at a contract sum of Kshs.2,064,956 on 4 September, 2024. The contract period was four (4) weeks. However, audit inspection of the project on 27 November, 2024 revealed plastering and painting of the gable and clearing of construction debris had not been done.
In the circumstances, the value for money for the expenditure of Kshs.2,072,170 could not be confirmed.

1.2 Delayed Completion of Projects

1.2.1 Construction of Two (2) Classrooms at Eburi Primary School

The transfer to other government units amount includes Kshs.2,072,170 disbursed to Eburi Primary School for the construction of two (2) classrooms. The Fund entered into a contract with a contractor for the construction of two classrooms at a contract sum of Kshs.2,066,258 on 4 September, 2024. The contract period was four (4) weeks. However, audit inspection of carried out on 27 November, 2024 revealed that the project was substantially not complete and contract period had lapsed. Works such as fixing of the iron sheets, flooring, painting, wiring and fixing window panes among others had not been done. The percentage completion could not be determined since a project status report was not provided for audit review. In addition, the contractor was not on site.

In the circumstances, the value for money for the expenditure of Kshs.2,072,170 could not be confirmed.

1.2.2 Construction of Four (4) Classrooms at Iringa Primary School

The transfer to other government units amount includes Kshs.7,000,000 disbursed to Iringa Primary School for the construction of four (4) classrooms. The Fund entered into a contract with a firm for the construction of four (4) classrooms at a contract sum of Kshs.6,998,150 on 24 November, 2023. The contract period was nine (9) months. However, audit inspection of the project on 27 November, 2024 revealed that the project was significantly behind schedule and the contract period had lapsed. Plastering, flooring, painting, wiring and fixing window panes among others had not been done. Further, the

percentage of completion could not be determined since a project status report was not provided for audit review.

In the circumstances, the value for money for the expenditure of Kshs.7,000,000 could not be confirmed.

1.2.3 Completion of Four (4) Classrooms on One-storey building at Riasuta Primary School

The transfer to other government units amount includes Kshs.1,000,000 disbursed to Riasuta Primary School for the completion of four (4) classrooms on one-storey building. The works included plastering of ground and first floor, paving and floor finishing, glazing and painting. The project commenced on 1 July, 2022 when a contract for the works was entered into between the Fund and a contractor for a contract sum of Kshs.4,000,000. The contract period was twelve (12) weeks. However, physical verification of the project on 27 November, 2024 revealed that the project was not complete and the contract period had lapsed. Paving, floor finishing, glazing and painting had not been done and the contractor was not on site.

In the circumstances, the value for money for the expenditure of Kshs.1,000,000 could not be confirmed.

1.2.4 Construction of Multipurpose Hall and Library at Nyamondo Secondary School

The transfer to other government units amount includes Kshs.7,000,000 disbursed to Nyamondo Secondary School for the construction of multipurpose hall and library. The Fund entered into a contract with a firm for the construction of multipurpose hall and library at a contract sum of Kshs.6,800,640 on 22 November, 2023. The contract period was eight (8) months. However, physical verification of the project on 27 November, 2024 revealed that the project was significantly incomplete and the contract period had lapsed. Plastering, flooring, painting, wiring and fixing window panes among others had not been done. Further, the percentage completion could not be determined since a project status report was not produced for audit review.

In the circumstances, the value for money for the expenditure of Kshs.7,000,000 could not be confirmed.

1.3 Lack of Inspection and Acceptance Committee Reports

The transfer to other government units amount includes Kshs.11,188,680 disbursed to various Project Management Committees for various activities as shown below:

School	Activity	Cheque Nos	Amount (Kshs.)
Kebabe Primary School	Completion of renovation of two classrooms and three rooms administration	14788	1,300,000
Emesa Primary School	Construction to completion two classrooms	17616/17657	2,072,170
Gotichaki Primary School	Construction to completion two classrooms	17610/17663	2,072,170
Ichuni Primary School	Construction to completion two classrooms	17615/17658	2,072,170
Igare DEB Primary School	Completion of administration block	14783	1,600,000
Keburunga DOK Primary School	Construction to completion two classrooms	17607/17666	2,072,170
	Total		**11,188,680**

However, inspection and acceptance committee reports were not provided for audit review to confirm that the constructions were carried out in accordance with the contract, standards and specifications.This is contrary to Section 48(3)(b) of Public Procurement and Asset Disposal Act, 2015 which states that the inspection and acceptance committee shall immediately after the delivery of the goods, works or services inspect and review the goods ,works or services in order to ensure compliance with the terms and specifications of the contract.

In the circumstances, Management was in breach of the law and the value for money for the expenditure of Kshs.11,188,680 could not be confirmed.

2.0 Grounded Motor Vehicle

Annex 4 on summary of fixed asset register reflects transport equipment balance of Kshs.15,044,570 which includes Kshs.4,378,363 relating to motor vehicle registration No. GKA 605V. However, physical verification revealed that the vehicle had been lying in the yard and was not in use. Information provided indicates that the vehicle had been grounded since the year 2019 and no effort had been made to repair or dispose it. This is contrary to Regulation 180 (1) of Public Procurement and Asset Disposal Regulations, 2020 which states that an accounting officer shall be primarily responsible for ensuring that the procuring entity fulfills its asset disposal obligations.

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

3.0 Failure to Approve the Constituency Projects Code List

The summary statement of appropriation reflects a final budget amount of Kshs.22,533,909 against unallocated funds, which includes Kshs.22,471,909 in respect to previous years outstanding disbursements. The funds have not been allocated to the various constituency project proposals for unclear reasons contrary to section 40 of the National Government Constituency Development Fund Act 2015. This has led to the constituency not receiving its rightful share of resources for development.
In the circumstances, Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and National Government Constituency Development Fund Committee

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

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

	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	200,074,846	99,300,000
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	62,000	-
Total Receipts		**200,136,846**	**99,300,000**
Payments			
Compensation of Employees	4	4,286,939	2,536,334
Committee expenses	5	4,352,122	4,316,280
Use of Goods and Services	6	9,158,776	2,681,573
Transfers To Other Government Units	7	106,602,620	17,187,344
Other Grants and Transfers	8	99,172,210	50,922,045
Acquisition Of Assets	9	10,086,207	580,000
Other Payments	11	1,960,000	-
Total Payments		**235,618,874**	**78,223,575**
Surplus/(Deficit)		**(35,482,028)**	**21,076,425**

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 30th June 2024 and signed by:

Chairman NG-CDF Committee	**Fund Accountant Manager**	**National Sub-County Accountant**
Name: Teresa Bochere Mose	**Name: Francis O. Onyango**	**Name: Richard Nyachoti**
		ICPAK M/No: 22037

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

	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	11A	7,622,254	43,104,282
Cash Balances	11B	-	-
Total Cash and Cash Equivalents		**7,622,254**	**43,104,282**
Accounts Receivable			
Outstanding Imprests	12	-	-
Total Financial Assets (A)		**7,622,254**	**43,104,282**
Financial Liabilities			
Accounts Payable			
Retention	13	-	-
Gratuity	14	-	-
Total Financial Liabilities (B)		-	-
Net Financial Assets (A-B)		**7,622,254**	**43,104,282**
Represented By			
Fund Balance B/Fwd	15	43,104,282	22,027,857
Prior Year Adjustments	16	-	-
Surplus/(Deficit) for The Year		(35,482,028)	21,076,425
Net Financial Position		**7,622,254**	**43,104,282**

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 30th June 2024 and signed by:

.....	.....	.....
Chairman NG-CDF Committee	Fund Accountant Manager	National Sub-County Accountant
Name: Teresa Bochere Mose	Name: Francis O. Onyango	Name: Richard Nyachoti
		ICPAK M/No: 22037

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

		2023-2024	2022-2023
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	200,074,846	99,300,000
Other Receipts	3	62,000	-
Total Receipts		**200,136,846**	**99,300,000**
Payments for operating activities			
Compensation of Employees	4	4,286,939	2,536,334
Committee expenses	5	4,352,122	4,316,280
Use of goods and services	6	9,158,776	2,681,573
Transfers to Other Government Units	7	106,602,620	17,187,344
Other grants and transfers	8	99,172,210	50,922,045
Other Payments	10	1,960,000	-
Total Payments		**225,532,667**	**77,643,575**
Total Receipts Less Total Payments		**(25,395,821)**	**21,656,425**
Adjusted for:			
Prior year Adjustments	16	-	
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net Adjustments		-	-
Net cash flow from operating activities		**(25,395,821)**	**21,656,425**
Cash Flow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(10,086,207)	(580,000)
Net cash flows from Investing Activities		**(10,086,207)**	**(580,000)**
Net Increase in Cash & Cash Equivalents		**(35,482,028)**	**21,076,425**
Cash & Cash Equivalent at Start of the Year	11	**43,104,282**	**22,027,857**
Cash & Cash equivalent at END of the year	11	**7,622,254**	**43,104,282**

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

Receipt/Payments	Original Budget	Adjustments		Final Budget	Actual on Comparable basis	Budget utilisation difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
Receipts	2023/2024	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2023/2024	2023/2024		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NG-CDF Board	202,779,434	43,104,282	60,960,175	306,843,891	243,179,128	63,664,763	79.4%
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts		62,000		62,000	62,000	-	100.0%
Totals	202,779,434	43,166,282	60,960,175	306,905,891	243,241,128	63,664,763	79.4%
Payments							
Compensation of Employees	4,457,004	3,031,423	-	7,488,427	4,286,939	3,201,488	57.2%
Committee expenses	3,524,790	520,604	1,296,675	5,342,069	4,352,122	989,947	81.5%
Use of goods and services	8,589,897	3,100,591	-	11,690,488	9,158,776	2,531,712	78.3%
Transfers to Other Government Units	87,923,066	24,050,000	23,867,454	135,840,520	106,602,620	29,237,900	78.5%
Other grants and transfers	96,734,677	9,702,582	2,034,137	108,471,396	99,172,210	9,299,186	91.4%
Acquisition of Assets	-	49,082	11,290,000	11,339,082	10,086,207	1,252,875	89.0%
Other Payments	1,550,000	2,650,000	-	4,200,000	1,960,000	2,240,000	46.7%
Funds Pending Approval**	-	62,000	22,471,909	22,533,909	-	22,533,909	0.0%
Totals	202,779,434	43,166,282	60,960,175	306,905,891	235,618,874	71,287,017	76.8%

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

Explanatory Notes.

(a) Transfer from NG-CDF Board (20.6%): The under collection of receipts from NG-CDF Board was as a result of late disbursement of funds by the National Treasury.
(b) Other receipts (100%): The over collection was as a result of sale of tender that had not been anticipated and therefore budgeted
(c) Compensation of employees (42.8 %): Underutilization was as a result of the staff gratuity not yet paid to employees.
(d) Committee expenses (18.2%): Underutilization was due to reduced activities of the NGCDF Committee
(e) Use of Goods and Services (11.7%): Underutilization was due to late disbursement of funds by the national treasury
(f) Transfer to other government units(11.5%):Underutilization was due to late disbursement of funds by the national treasury
(g) Acquisition of assets (11%): Underutilization was due to late disbursement of funds by the national treasury
(h) Other payments (53.3%): Underutilization was due to non-completion of the formulation of the strategic plan

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	**Amount**
Budget utilisation difference totals	71,287,017
Less undisbursed funds receivable from the Board as at 30th June 2024	63,664,763
	7,622,254
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2023/2024	7,622,254

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,457,004	3,031,423		7,488,427	4,286,939	3,201,488
1.2 Committee allowances	1,876,790	(2,738)		1,874,052	1,248,570	625,482
1.3 Use of goods and services	4,714,000	734,034		5,448,034	4,448,034	1,000,000
Total	11,047,794	3,762,719	-	14,810,513	9,983,543	4,826,970
2.0 Monitoring and evaluation						-
2.1 Capacity building	550,000	1,912,164		2,462,164	1,656,195	805,969
2.2 Committee allowances	1,648,000	300,415		1,948,415	1,583,950	364,465
2.3 Use of goods and services	3,325,897	454,393		3,780,290	3,054,547	725,743
Total	5,523,897	2,666,972	-	8,190,869	6,294,692	1,896,177
3.0 Constituency Oversight Committee (Itemize as per budget)						
Payment of Travel costs			120,000	120,000	120,000	-
Payment of accommodation on travel			300,000	300,000	300,000	-
Payment of Daily Subsistence allowance			300,000	300,000	300,000	-
Payment of constituency Oversight committee allowances			300,000	300,000	300,000	-
Payment of publishing and printing		3,325	96,675	100,000	100,000	-
Payment of telephone expenses		19,602		19,602	19,602	-
Payment of catering services			180,000	180,000	180,000	-
Payment of uniforms and clothing		25,000		25,000	25,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
for NG CDFC staff						
Purchase of refined fuel		90,000		90,000	90,000	-
Payment for hire of transport		85,000		85,000	85,000	-
Total	-	222,927	1,296,675	1,519,602	1,519,602	-
4.0 Emergency						
Emergency	9,691,047	786,190		10,477,237		10,477,237
4.1 Primary Schools						
4.2 Secondary Schools						
4.3 Tertiary institutions						
4.4 Security projects						
Unutilised						
Total	9,691,047	786,190	-	10,477,237	-	10,477,237
5.0 Bursary and Social Security						
5.1 Primary Schools						
5.2 Secondary Schools	30,000,000	7,003,690		37,003,690	44,846,150	(7,842,460)
5.3 Tertiary Institutions	43,000,000	(3,364,928)		39,635,072	41,432,660	(1,797,588)
5.4 Special Needs	651,960	480,000		1,131,960	58,000	1,073,960
5.5 Universities						
5.6 Education Support Programmes				-		-
5.7 Social Security		4,000		4,000	600,000	(596,000)
Total	73,651,960	4,122,762	-	77,774,722	86,936,810	(9,162,088)

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
6.0 Sports						
6.1 Constituency Tournarment		1,725,785		1,725,785		1,725,785
FAM					335,000	(335,000)
kenya Football Federation					20,000	(20,000)
FAM					180,000	(180,000)
FAM					257,060	(257,060)
FAM					380,000	(380,000)
FAM					400,000	(400,000)
Total	-	1,725,785	-	1,725,785	1,572,060	153,725
7.0 Environment						
Nyamagena Mabariri Pry	243,919			243,919	-	243,919
Tabaka Boys High School	570,000			570,000	570,000	-
Kiabigoria ELCK Mixed Secondary	570,000			570,000	570,000	-
Nchoro SDA Secondary School	570,000			570,000	570,000	-
Amaiko SDA Secondary School	570,000			570,000	570,000	-
Ayora Mixed Secondary School	570,000			570,000	570,000	-
St Iinus Etago Girls Secondary Sch	570,000			570,000	570,000	-
Nyachenge ELCK Secondary Sch	570,000			570,000	570,000	-
Nyamioumu Primary School		300,000		300,000	300,000	-
Nyamondo Primary School		300,000		300,000	300,000	-
Nyamagena Mabariri Primary School		300,000		300,000	300,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nyakorere MFA Primary School		150,000		150,000	150,000	-
Bosaga DOK Primary School		150,000		150,000	150,000	-
Ichuni SDA Primary School		150,000		150,000	150,000	-
Nyabigege DOK Primary School		250,000		250,000	250,000	-
St. Marks Ritaro Primary School		300,000		300,000	300,000	-
Kabonyo Primary School		300,000		300,000	300,000	-
Kiorori Primary School		239,203		239,203	239,203	-
Mesaria Primary School		300,000		300,000	300,000	-
Nyagichenche Primary School		300,000		300,000	300,000	-
Nduru Primary School					100,000	(100,000)
Tabaka DEB Primary School					100,000	(100,000)
Otendo ELCK Primary School					100,000	(100,000)
Nyabiosi Maranatha Primary					100,000	(100,000)
Nyabitunwa Bine Primary School					100,000	(100,000)
Omobiri Secondary School					100,000	(100,000)
BAL B/F		28,642		28,642		28,642
Total	4,233,919	3,067,845	-	7,301,764	7,629,203	(327,439)
8.0 Primary Schools Projects (List all the projects)						
Mesaria Primary School	1,500,000			1,500,000		1,500,000
Riasuta Primary School	2,000,000			2,000,000		2,000,000
Kebabe Primary School	1,500,000			1,500,000		1,500,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nyabikondo Primary Scchool	1,500,000			1,500,000		1,500,000
Nyamagena Mabariri Pry School	1,200,000			1,200,000	1,200,000	-
Nyabisase Primary School	1,500,000			1,500,000		1,500,000
Kenoria Primary School	1,500,000			1,500,000		1,500,000
Iringa Primary School		7,000,000		7,000,000	7,000,000	-
Nyakembene Primary School		3,500,000		3,500,000	3,500,000	-
Nyasasa Primary School		800,000		800,000	800,000	-
Kebabe Primary School		1,300,000		1,300,000	1,300,000	-
Rianyamari Primary School		2,000,000		2,000,000	2,000,000	-
Igare DEB Primary School		1,600,000		1,600,000	1,600,000	-
Riasuta Primary School		1,000,000		1,000,000	1,000,000	-
Kiogosi Deb Pri School		400,000		400,000	400,000	-
Nyabiosi Sda Pry		700,000		700,000	700,000	-
Nyansembe Dok Pry School		500,000		500,000	500,000	-
St Peters Nyangweta Dok Pry		350,000		350,000	350,000	-
Nyamue Deb Primary School		500,000		500,000	500,000	-
Nyachenge Elck Pry Sch		500,000		500,000	500,000	-
Nyakorere Pag Pry School		400,000		400,000	400,000	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nyakoiba Sda Primary School		400,000		400,000	400,000	-
Nyabiosi Maranatha Pry		400,000		400,000	400,000	-
Ensoko Primary School		400,000		400,000	400,000	-
Keburanchogu Dok Pry Sch		400,000		400,000	400,000	-
Nyabitunwa Bine Pry School		700,000		700,000	700,000	-
Sae Primary School		400,000		400,000	400,000	-
Total	10,700,000	23,250,000	-	33,950,000	24,450,000	9,500,000
8.2 Junior Secondary Schools Projects (NG-CDF)						
Riagumo Primary School	1,036,086			1,036,086	1,036,086	-
Nyangweta DOK Primary School	1,036,086			1,036,086	1,036,086	-
Nyamioumu Primary School	1,036,086			1,036,086	1,036,086	-
Monianku Primary School	1,036,085			1,036,085	1,036,085	-
Nyasasa Primary School	1,036,085			1,036,085	1,036,085	-
Emesa Primary School	1,036,085			1,036,085	1,036,085	-
Ichuni Primary School	1,036,085			1,036,085	1,036,085	-
Kabonyo Primary School	1,036,085			1,036,085	1,036,085	-
Kenyoro Primary School	1,036,085			1,036,085	1,036,085	-
Nyabigena Primary School	1,036,085			1,036,085	1,036,085	-

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
Gotichaki Primary School	1,036,085			1,036,085	1,036,085	-
Nyagichenche Primary School	1,036,085			1,036,085	1,036,085	-
Tabaka DEB Primary School	1,036,085			1,036,085	1,036,085	-
Keburunga DOK Primary School	1,036,085			1,036,085	1,036,085	-
Nyachenge Primary School	1,036,085			1,036,085	1,036,085	-
Metaburo Primary School	1,036,085			1,036,085	1,036,085	-
Bosaga DOK Primary School	1,036,085			1,036,085	1,036,085	-
Eburi Primary School	1,036,085			1,036,085	1,036,085	-
Total	**18,649,533**	**-**	**-**	**18,649,533**	**18,649,533**	**-**
8.3 Junior Secondary Schools Projects (MOE)						
Riagumo Primary School	1,036,086			1,036,086	1,036,086	-
Nyangweta DOK Primary School	1,036,086			1,036,086	1,036,086	-
Nyamioumu Primary School	1,036,086			1,036,086	1,036,086	-
Monianku Primary School	1,036,085			1,036,085	1,036,085	-
Nyasasa Primary School	1,036,085			1,036,085	1,036,085	-
Emesa Primary School	1,036,085			1,036,085	1,036,085	-
Ichuni Primary School	1,036,085			1,036,085	1,036,085	-
Kabonyo Primary School	1,036,085			1,036,085	1,036,085	-
Kenyoro Primary School	1,036,085			1,036,085	1,036,085	-
Nyabigena Primary School	1,036,085			1,036,085	1,036,085	-
Gotichaki Primary School	1,036,085			1,036,085	1,036,085	-

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
Nyagichenche Primary School	1,036,085			1,036,085	1,036,085	-
Tabaka DEB Primary School	1,036,085			1,036,085	1,036,085	-
Keburunga DOK Primary School	1,036,085			1,036,085	1,036,085	-
Nyachenge Primary School	1,036,085			1,036,085	1,036,085	-
Metaburo Primary School	1,036,085			1,036,085	1,036,085	-
Bosaga DOK Primary School	1,036,085			1,036,085	1,036,085	-
Eburi Primary School	1,036,085			1,036,085	1,036,085	-
Total	**18,649,533**	-	-	**18,649,533**	**18,649,533**	-
9.0 Secondary Schools Projects (List all the Projects)						
Ayora Secondary School	10,212,000			10,212,000	10,018,050	193,950
Amaiko Secondary School	10,212,000			10,212,000	10,018,050	193,950
Ikoba Secondary School	2,500,000			2,500,000	2,500,000	-
Nyabine DEB Secondary School	2,500,000			2,500,000		2,500,000
Marongo PAG Secondary School	2,500,000			2,500,000		2,500,000
Maroo Esinde Secondary School	3,000,000			3,000,000		3,000,000
Mariwa Secondary School	2,000,000			2,000,000		2,000,000
Nyamue Secondary School	2,000,000			2,000,000		2,000,000
Tabaka Boys High School	5,000,000			5,000,000		5,000,000
Giasobera Secondary School			2,800,000	2,800,000	2,800,000	-
Ibrahim Ochoi Mixed Secondary School			2,350,000	2,350,000		2,350,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Karungu Secondary School			2,793,500	2,793,500	2,793,500	-
Maroo Esinde Secondary School			3,550,000	3,550,000	3,550,000	-
Moticho Girls Secondary School			1,000,000	1,000,000	1,000,000	-
Ndonyo Secondary School			3,373,954	3,373,954	3,373,954	-
Nyamondo Secondary School			7,000,000	7,000,000	7,000,000	-
Nyasasa Secondary School			1,000,000	1,000,000	1,000,000	-
Gotichaki Elck Sec School		400,000		400,000	400,000	-
St. Alphonse Nyabine Sec Sch		400,000		400,000	400,000	-
Total	**39,924,000**	**800,000**	**23,867,454**	**64,591,454**	**44,853,554**	**19,737,900**
10.0 Tertiary institutions (List all the Projects)						
Total	-	-	-	-	-	-
11.0 Security Projects						
Nduru Assistant Chief's Office	1,000,000			1,000,000	1,000,000	-
Electricity	8,157,751			8,157,751		8,157,751
Nyamondo Chief's Office			1,034,137	1,034,137	1,034,137	-
Nduru Sub location Assistant Chiefs Office			1,000,000	1,000,000	1,000,000	-
Total	**9,157,751**	-	**2,034,137**	**11,191,888**	**3,034,137**	**8,157,751**
12.0 Acquisition of assets						

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
Purchase office furniture		49,082		49,082		49,082
NG CDF Motor Vehicle			11,290,000	11,290,000	10,086,207	1,203,793
Total	**-**	**49,082**	**11,290,000**	**11,339,082**	**10,086,207**	**1,252,875**
13.0 Other payments				-		-
13.1 Strategic Plan	1,550,000			1,550,000	10,000	1,540,000
Renovation of Constituency office		200,000		200,000		200,000
Audit		500,000		500,000		500,000
South Mugirango NG-CDF strategic plan		1,950,000		1,950,000	1,950,000	-
Total	**1,550,000**	**2,650,000**	**-**	**4,200,000**	**1,960,000**	**2,240,000**
Funds Pending Approval						
NG CDF Office			11,671,909	11,671,909		11,671,909
Bursary Management System			2,500,000	2,500,000		2,500,000
Nyakorere Secondary School			3,000,000	3,000,000		3,000,000
St Joseph Kiorori Secondary			5,300,000	5,300,000		5,300,000
AIA		62,000		62,000		62,000
PMC savings				-		-
Total	**-**	**62,000**	**22,471,909**	**22,533,909**	**-**	**22,533,909**
Grant total	**202,779,434**	**43,166,282**	**60,960,175**	**306,905,891**	**235,618,874**	**71,287,017**

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

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Recognition of Receipts

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

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

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

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

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

c. **Other receipts**

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

d. **Unutilized Funds from PMCs.**

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

e. **External Assistance**

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

5. **Recognition of payments**

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

a) Compensation of Employees

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

b) Use of Goods and Services

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

c) Acquisition of Fixed Assets

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

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

6. In-kind contributions

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

7. Cash and Cash Equivalents

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

8. Accounts Receivable

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

9. Accounts Payable

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

10. Pending Bills

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

11. Unutilized Fund

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

12. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 15 June 2023 for the period 1st July 2023 to 30th June 2024 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

13. Comparative Figures

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

14. Subsequent Events

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

15. Prior Period Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by i. restating the comparative

amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

16. Related Party Transactions

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

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
NGCDF Board	Kshs	Kshs
B049297		8,300,000
B185253		7,000,000
B206232		21,000,000
B206272		5,000,000
B205601		12,000,000
B205896		12,000,000
B207681		18,000,000
B207916		16,000,000
B214509	33,148,265	
B233627	10,185,780	
B225221	40,000,000	
B226218	40,000,000	
B226275	2,350,000	
B233748	14,390,801	
B214963	40,000,000	
B233778	20,000,000	
TOTAL	200,074,846	99,300,000

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2023-2024	2022-2023
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	62,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere *(specify)*	-	-
Total	**62,000**	**-**

4. Compensation of Employees

	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,080,945	1,758,660
Personal allowances paid as part of salary	-	-
House Allowance	-	
Transport Allowance	-	260,000
Leave allowance	-	-
Gratuity to contractual employees	789,345	370,794
Employer Contributions Compulsory national social security schemes	336,760	146,880
Employer Contributions Compulsory Housing levy	76,389	-
Employer contributions to National Industrial Training Authority	3,500	-
Total	**4,286,939**	**2,536,334**

5. Committee Expenses

	2023-2024	*2022-2023*
	Kshs	Kshs
A.NG CDFC		
Sitting allowance	1,248,570	1,869,320
Other committee expenses	1,583,950	2,446,960
Sub total	**2,832,520**	**4,316,280**

B. Constituency Oversight Committee		
Allowances	355,369	-
Other committee expenses	1,164,233	-
Sub total	**1,519,602**	**-**
Total (A+B)	**4,352,122**	**4,316,280**

6. Use of Goods and services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	8,870	87,728
Communication, supplies and services	460,355	-
Domestic travel and subsistence	1,760,060	283,000
Printing, advertising and information supplies & services	718,000	-
Rentals of produced assets	-	-
Training expenses	577,912	614,200
Hospitality supplies and services	689,220	260,240
Insurance costs	301,390	-
Specialized materials and services	48,302	-
Office and general supplies and services	1,381,058	796,880
Fuel, oil & lubricants	350,700	224,450
Bank Charges	-	-
Other operating expenses	2,862,909	315,380
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	99,695
Other operating expenses		
Total	**9,158,776**	**2,681,573**

7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	61,749,066	3,792,206
Transfers To Secondary Schools (See Attached List)	44,853,554	13,395,138
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	**106,602,620**	**17,187,344**

8. Other Grants and Other transfers

	2023-2024	2022-2023
	Kshs	Kshs
Bursary – secondary schools	44,846,150	14,727,261
Bursary – tertiary institutions	41,432,660	34,778,784
Bursary – special schools	58,000	20,000
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	600,000	96,000
Security projects	3,034,137	-
Sports projects	1,572,060	1,300,000
Environment projects	7,629,203	-
Emergency projects	-	-
Roads projects	-	-
Total	**99,172,210**	**50,922,045**

9. Acquisition Of Assets

	2023-2024	2022-2023
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	10,086,207	580,000
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	**10,086,207**	**580,000**

10. Other Payments

	2023-2024	2022-2023
	Kshs	Kshs
Strategic plan	1,960,000	-
ICT Hub	-	-
Others *(specify)*	-	-
Total	**1,960,000**	**-**

11. Cash and Cash Equivalents

Name Of Bank and Account No.	2023-2024	2022-2023
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
Cooperative Bank Rongo Branch, Account No. 01120018205600 (Operation account)	7,622,254	43,104,282
Operation account pending closure (Indicate name & account no.)	-	-
Total	**7,622,254**	**43,104,282**
11B: Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations *(Specify)*	-	-
Total	**-**	**-**

12. Outstanding Imprests

Name of Officer or Institution	*Date Imprest Taken*	*Amount Taken*	*Amount Surrendered*	*Balance*
		Kshs	*Kshs*	*Kshs*
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Total		-	-	-

13. Retention

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

Retentions aging analysis.

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

14. Gratuity

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

Gratuity aging analysis

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

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

15. Fund Balance B/F

	(1st July 2023)	(1st July 2022)
	Kshs	Kshs
Bank accounts	43,104,282	22,027,857
Cash in hand	-	-
Imprest	-	-
Total	**43,104,282**	**22,027,857**
Less	-	-
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	**43,104,282**	**22,027,857**

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	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (*specify*)	-	-	-
Total	-	-	-

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1st July (A)	-	-
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 – Gratuities and Retentions

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

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

Aging Analysis for Pending Accounts Payables

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

19.2: Pending Staff Payables (See Annex 2)

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

Aging Analysis for staff Payables

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

19.3: Unutilized Fund (See Annex 3)

	2023-2024	2022-2023
	Kshs	Kshs
Compensation of employees	3,201,488	3,031,423
Committee expense	989,947	1,817,279
Use of goods and services	2,531,712	3,100,591
Amounts due to other Government entities	29,237,900	47,917,454
Amounts due to other grants and other transfers	9,299,186	11,736,719
Acquisition of assets	1,252,875	11,339,082
Other Payments	2,240,000	2,650,000
Funds pending approval	22,533,909	22,471,909
Total	**71,287,017**	**104,064,457**

19.4: PMC account balances (See Annex 5)

	2023-2024	2022-2023
	Kshs	Kshs
PMC account balances	54,450,392	17,208,174
Total	**54,450,392**	**17,208,174**

19.5 Related Party Transactions

	2023-2024	2022-2023
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,248,570	1,869,320
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	200,074,846	99,300,000
Total	**201,323,416**	**101,169,320**

16.Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2024	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
1.0 Administration and Recurrent				
1.1 Compensation of employees	Employee salaries	3,201,488	3,031,423	Ongoing
1.2 Committee expenses	Payment of Committee	625,482	(2,738)	Ongoing
1.3 Use of goods & services	Use of goods & services	1,000,000	734,034	Ongoing
Sub-Total		**4,826,970**	**3,762,719**	
2.0 Monitoring and Evaluation				
2.1 Capacity Building	Capacity Building	805,969	1,912,164	Ongoing
2.2 Committee Allowances	Committee Allowances	364,465	300,415	Ongoing
2.3 Use of goods and services	Use of goods & services	725,743	454,393	Ongoing
Sub-Total		**1,896,177**	**2,666,972**	
3.0 Constituency Oversight Committee (Itemize as per budget)				
Payment of Travel costs	Payment of Travel costs		120,000	Ongoing
Payment of accomodation on travel	Payment of accomodation on travel		300,000	Ongoing
Payment of Daily Subsistence allowance	Payment of Daily Subsistence allowance		300,000	Ongoing
Payment of constituency Oversight committee allowances	Payment of constituency Oversight committee allowances		300,000	Ongoing
Payment of publishing and printing	Payment of publishing and printing		100,000	Ongoing
Payment of telephone expenses	Payment of telephone expenses		19,602	Ongoing
Payment of catering services	Payment of catering services		180,000	Ongoing
Payment of uniforms and clothing for NG CDFC staff	Payment of uniforms and clothing for NG CDFC staff		25,000	Ongoing

Purchase of refined fuel	Purchase of refined fuel		90,000	Ongoing
Payment for hire of transport	Payment for hire of transport		85,000	Ongoing
Sub-Total		-	**1,519,602**	Ongoing
Amounts due to other Government entities				
4.0 Primary Schools Projects				
Mesaria Primary School	Grants for development	1,500,000		Ongoing
Riasuta Primary School	Grants for development	2,000,000		Ongoing
Kebabe Primary School	Grants for development	1,500,000		Ongoing
Nyabikondo Primary Scchool	Grants for development	1,500,000		Ongoing
Nyabisase Primary School	Grants for development	1,500,000		Ongoing
Kenoria Primary School	Grants for development	1,500,000		Ongoing
Iringa Primary School	Grants for development		7,000,000	Ongoing
Nyakembene Primary School	Grants for development		3,500,000	Ongoing
Nyasasa Primary School	Grants for development		800,000	Ongoing
Kebabe Primary School	Grants for development		1,300,000	Ongoing
Rianyamari Primary School	Grants for development		2,000,000	Ongoing
Igare DEB Primary School	Grants for development		1,600,000	Ongoing
Riasuta Primary School	Grants for development		1,000,000	Ongoing
Kiogosi Deb Pri School	Grants for development		400,000	
Nyabiosi Sda Pry	Grants for development		700,000	
Nyansembe Dok Pry School	Grants for development		500,000	
St Peters Nyangweta Dok Pry	Grants for development		350,000	
Nyamue Deb Primary School	Grants for development		500,000	
Nyachenge Elck Pry Sch	Grants for development		500,000	

Nyakorere Pag Pry School	Grants for development		400,000	
Nyakoiba Sda Primary School	Grants for development		400,000	
Nyabiosi Maranatha Pry	Grants for development		400,000	
Ensoko Primary School	Grants for development		400,000	
Keburanchogu Dok Pry Sch	Grants for development		400,000	
Nyabitunwa Bine Pry School	Grants for development		700,000	
Sae Primary School	Grants for development		400,000	
Sub-Total		**9,500,000**	**23,250,000**	
4.1 Junior Secondary Schools Projects (NG-CDF)				
				Ongoing
Sub-Total		-	-	
4.2 Junior Secondary Schools Projects (MOE)				
				Ongoing
Sub-Total		-	-	
5.0 Secondary Schools Projects				
Ayora Secondary School	Grants for development	193,950		Ongoing
Amaiko Secondary School	Grants for development	193,950		Ongoing
Nyabine DEB Secondary School	Grants for development	2,500,000		Ongoing
Marongo PAG Secondary School	Grants for development	2,500,000		Ongoing
Maroo Esinde Secondary School	Grants for development	3,000,000		Ongoing
Mariwa Secondary School	Grants for development	2,000,000		Ongoing
Nyamue Secondary School	Grants for development	2,000,000		Ongoing
Tabaka Boys High School	Grants for development	5,000,000		Ongoing
Ibrahim Ochoi Mixed Secondary School	Grants for development	2,350,000		Ongoing

Giasobera Secondary School	Grants for development		2,800,000	Ongoing
Ibrahim Ochoi Mixed Secondary School	Grants for development		2,350,000	Ongoing
Karungu Secondary School	Grants for development		2,793,500	Ongoing
Maroo Esinde Secondary School	Grants for development		3,550,000	Ongoing
Moticho Girls Secondary School	Grants for development		1,000,000	Ongoing
Ndonyo Secondary School	Grants for development		3,373,954	Ongoing
Nyamondo Secondary School	Grants for development		7,000,000	Ongoing
Nyasasa Secondary School	Grants for development		1,000,000	Ongoing
Gotichaki Elck Sec School	Grants for development		400,000	Ongoing
St. Alphonse Nyabine Sec Sch	Grants for development		400,000	Ongoing
Sub-Total		**19,737,900**	**24,667,454**	
6.0 Tertiary institutions Projects				
Total		-		
Amounts due to other grants and other transfers				
7.0 Emergency				
7.1 Primary Schools				
7.2 Secondary Schools				
7.3 Tertiary Institutions				
7.4 Security Projects				
Unutilised	To Cater for unforeseen Circumstances	**10,477,237**	**786,190**	Ongoing
Sub-Total		**10,477,237**	**786,190**	
8.0 Bursary and Social Security	Bursary for the needy			

8.1 Primary Schools	Bursary for the needy			Ongoing
8.2 Secondary Schools	Bursary for the needy	(7,842,460)	7,003,690	Ongoing
8.3 Tertiary Institutions	Bursary for the needy	(1,797,588)	(3,364,928)	Ongoing
8.4 Special Needs	Bursary for the needy	1,073,960	480,000	Ongoing
8.5 Universities	Bursary for the needy			Ongoing
8.6 Education Support Programmes	Bursary for the needy			Ongoing
8.7 Social Security	Social Security	(596,000)	4,000	Ongoing
Sub-Total		**(9,162,088)**	**4,122,762**	Ongoing
9.0 Sports				
Constituency Sports Tournament	Sports Activities	153,725	1,725,785	Ongoing
Regional Sports Tournament	Sports Activities			Ongoing
Sub-Total		**153,725**	**1,725,785**	
10.0 Environment				
Nyamagena Mabariri Pry	Grants for development	243,919		Ongoing
Nyamioumu Primary School	Grants for development		300,000	Ongoing
Nyamondo Primary School	Grants for development		300,000	Ongoing
Nyamagena Mabariri Primary School	Grants for development		300,000	Ongoing
Nyakorere MFA Primary School	Grants for development		150,000	Ongoing
Bosaga DOK Primary School	Grants for development		150,000	Ongoing
Ichuni SDA Primary School	Grants for development		150,000	Ongoing
Nyabigege DOK Primary School	Grants for development		250,000	Ongoing
St. Marks Ritaro Primary School	Grants for development		300,000	Ongoing
Kabonyo Primary School	Grants for development		300,000	Ongoing
Kiorori Primary School	Grants for development		239,203	Ongoing

Mesaria Primary School	Grants for development		300,000	Ongoing
Nyagichenche Primary School	Grants for development		300,000	Ongoing
B/F	Grants for development	28,642	28,642	Ongoing
Sub-Total		**(327,439)**	**3,067,845**	
11.0 Security Projects				
Electricity		8,157,751		
Nyamondo Chief's Office	Grants for development		1,034,137	Ongoing
Nduru Sub location Assistant Chiefs Office	Grants for development		1,000,000	Ongoing
Sub-Total		**8,157,751**	**2,034,137**	
12.0 Acquisition of assets				
Purchase office furniture		49,082	49,082	Ongoing
NG CDF Motor Vehicle		1,203,793	11,290,000	Ongoing
Sub-Total		**1,252,875.00**	**11,339,082**	
13.0 Other Payments				
Strategic Plan		1,540,000		Ongoing
Renovation of Constituency office		200,000	200,000	Ongoing
Audit		500,000	500,000	Ongoing
South Mugirango NG-CDF strategic plan	Strategic Plan		1,950,000	Ongoing
Sub-Total		**2,240,000**	**2,650,000**	
Funds Pending Approval				
NG CDF Office		11,671,909	11,671,909	Pending Approval
Bursary Management System		2,500,000	2,500,000	Pending Approval
Nyakorere Secondary School		3,000,000	3,000,000	Pending Approval

St Joseph Kiorori Secondary		5,300,000	5,300,000	Pending Approval
AIA		62,000		
PMC savings				
Sub-Total		**22,533,909**	**22,471,909**	
Grand Total		**71,287,017**	**104,064,457**	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2022-2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2023-2024
Land				
Buildings and structures	7,281,179			7,281,179
Transport equipment	4,958,363	10,086,207		15,044,570
Office equipment, furniture and fittings	822,180			822,180
ICT Equipment, Software and Other ICT Assets	251,000			251,000
Other Machinery and Equipment	280,067			280,067
Heritage and cultural assets				
Intangible assets				
Total	13,592,789	10,086,207	0	23,678,996

Annex 5 –PMC Bank Balances As At 30th June 2024

PMC Name	Bank & Branch	Account Number	Bank Balance 2023-2024	Bank Balance 2022-2023
KEBABE DEB PRIMARY SCHOOL	KCB-KISII	1149296224	2,761.25	-
NYASASA PRIMARY SCHOOL	KCB-RONGO	1264736142	1,075,623.50	-
RIANYAMARI DOK PRIMARY SCHOOL	KCB-RONGO	1286142954	1,180.50	
RIASUTA PRIMARY SCHOOL	KCB-RONGO	1266527362	62,774.50	
NDURU SUB-LOCATION ASSISTANT CHIEF'S OFFICE	KCB-RONGO	1317069552	44,971.75	
OMOBIRI SECONDARY SCHOOL	KCB-RONGO	12254912185	1,715.50	
MOTICHO GIRLS SECONDARY SCHOOL	KCB-RONGO	1149246863	2,759.20	
KARUNGU MIXED SECONDARY SCHOOL	KCB-RONGO	1266444750	788,394.50	
GIASOBERA SDA HIGH SCHOOL	KCB-RONGO	1149260440	866.30	
MAROO ESINDE SECONDARY SCHOOL	KCB-KISII WEST	1149265043	89.10	
NYAMONDO SECONDARY SCHOOL	ECO BANK- KISII	6622007385	5,123,413.62	
NYAMAGENA MABARIRI DEB PRIMARY SCHOOL	ECO BANK- KISII	6622007730	1,640.82	
NYAKORERE MFA PRIMARY SCHOOL	KCB-RONGO	1172095884	399.75	
BOSAGA DOK PRIMARY SCHOOL	KCB-RONGO	1257113976	1,102,759.65	
ICHUNI SDA PRIMARY SCHOOL	KCB-RONGO	1257899716	1,077,368.70	
NYABIGEGE DOK PRIMARY SCHOOL	KCB-RONGO	1285755421	11,522.50	

KABONYO PRIMARY SCHOOL	KCB-RONGO	1277045755	1,050,221.75	
IRINGA PRIMARY SCHOOL	CO-OP-RONGO	1141017536100	6,899,885.00	
NYAMIOMU PRIMARY SCHOOL	CO-OP-RONGO	1141017560500	1,051,161.74	
MESARIA PRIMARY SCHOOL	CO-OP-RONGO	1141617924600	20,153.50	
NYAGICHENCHE PRIMARY SCHOOL	CO-OP-RONGO	1141017529100	1,134,823.00	
MARONGO PAG SECONDARY SCHOOL	CO-OP-RONGO	1141241372400	1,325.00	
AYORA MIXED SECONDARY SCHOOL	CO-OP-RONGO	1141618747200	10,589,465.00	
NYANGWETA DOK PRIMARY SCHOOL	CO-OP-RONGO	1139671266200	1,082,505.50	
KENYORO DEB PRIMARY SCHOOL	CO-OP-RONGO	1141017535000	1,039,498.00	
TABAKA DEB PRIMARY SCHOOL	CO-OP-RONGO	1141011911200	1,051,059.10	
IKOBA MIXED SECONDARY SCHOOL	CO-OP-RONGO	1141618756300	2,995.00	
NCHORO SECONDARY SCHOOL	KCB-RONGO	1315618796	570,812.25	
ST ANNES METABURO D.O.K PRIMARY	ECO BANK- KISII	6622007400	1,040,294.20	
EBURI D.O.K PRIMARY SCHOOL	KCB-RONGO	1316000885	1,045,060.00	
KEBURUNGA PRIMARY SCHOOL	KCB-RONGO	1257603566	1,037,637.75	
AMAIKO SDA SECONDARY SCHOOL	KCB-RONGO	1172118590	10,597,300.60	
NYACHENGE E.L.C.K MIXED SECONDARY SCHOOL	KCB-RONGO	1172086133	573,709.00	
TABAKA HIGH SCHOOL	KCB-RONGO	1149554479		

			4,573.25	
KIABIGORIA ELCK MIXED SECONDARY SCHOOL	KCB-RONGO	1149106034	570,963.75	
NYABINE DEB SECONDARY	KCB-RONGO	1330651324	-	
ST LINUS ETAGO GIRLS SECONDARY	KCB-RONGO	1298004993	570,984.75	
RIAGUMO PRIMARY SCHOOL	KCB-RONGO	1258166658	997.00	
NYABIGENA DOK PRIMARY SCHOOL	KCB-RONGO	1287465099	1,036,382.00	
NYACHENGE ELCK PRIMARY SCHOOL	KCB-RONGO	1272009483	1,065,509.70	
MONIANKU PRIMARY SCHOOL	KCB-RONGO	1279171081	1,038,244.25	
EMESA DSC PRIMARY SCHOOL	KCB-RONGO	1172081956	1,038,264.70	
GOTICHAKI PRIMARY SCHOOL	KCB-RONGO	1149339233	1,038,325.00	
MUMA SDA PRIMARY	KCB- Rongo	1265221812		833.00
KEBURANCHOGU DOK PRIMARY	Co-op -Rongo	1141618149500		588,913.60
ST MARK RITARO DOK PRIMARY	Co-op -Rongo	1141423261200		196,017.50
NYAMONDO PRIMARY SCHOOL	Co-op -Kisii East	1141016650800		54,726.00
RIONSATA SDA PRIMARY SCHOOL	Co-op-Rongo	1141017525200		2,193,177.00
IKOBA DEB PRIMARY	KCB-Rongo	1172099650		206,778.85
GESONSO PRIMARY SCHOOL	Co-op -Rongo	1141017566400		110,304.10
BOGISERO GETEMBE DEB PRIMARY	KCB -Rongo	1148963855		47,984.00
IKOBA PRIMARY SCHOOL	KCB-Rongo	1172099650		-
ST MICHAEL OMOGUMO DOK PRIMARY	KCB -Rongo	1266584188		1,999,857.40
BOKIMAI SDA PRIMARY SCHOOL	KCB -Rongo	1204140693		76,740.50

EBINYINYI DEB PRIMARY SCHOOL	KCB -Kisii	1147192197		143.5
EBURI PRIMARY SCHOOL	KCB-Rongo	1149251069		618.1
ENGOU PRIMARY SCHOOL	Co-op-Rongo	1141017527900		1,712.00
ETAGO DOK PRIMARY	KCB -Rongo	1257692933		454,137.00
GETONO SDA PRIMARY SCHOOL	Co-op -Rongo	1141017532300		3,528.50
GIASOBERA SECONDARY SCHOOL	KCB -Rongo	1149260440		64,054.30
IGARE DEB PRIMARY SCHOOL	Co-op -Rongo	1141017090600		23,136.00
KIABIGORIA SECONDARY SCHOOL	KCB -Kisii West	1149106034		1,314.50
KIAGWARE SEC.SCHOOL	KCB-Kisii	1136537864		77
KIASOBERA PRIMARY SCHOOL	KCB -Rongo	1257827804		182,518.40
KIMAI ENKORA PRIMARY SCHOOL	KCB-Rongo	1265994331		261,751.50
KIORINA DEB PRIMARY SCHOOL	Co-op -Rongo	1117017533800		460,654.50
MAKARA PRIMARY SCHOOL	Co-op -Rongo	1141017530800		72,151.30
KEBURUNGA DOK PRIMARY SCHOOL	KCB -Rongo	1257603566		-
MAKONGENI PRIMARY SCHOOL	KCB-Rongo	1257876430		177,829.50
MANYWANDA A PRIMARY SCHOOL	KCB-Rongo	1266681426		13,331.50
MARIWA SECONDARY SCHOOL	KCB -Rongo	1279890622		17,475.00
MAROO DEB PRIMARY SCHOOL	KCB-Rongo	1264502966		76,216.00
MAROO ESINDE SECONDARY SCHOOL	KCB -Kisii West	1149265043		91,598.00
METABURO PRIMARY SCHOOL	ECO Bank Kisii	6622007400		4,400.00
MOGUMO DEB PRIMARY	KCB -Rongo	1264889879		104,995.50
MONIANKU PRIMARY SCHOOL	KCB -Rongo	1279171081		12,520.00
MOTICHO GIRLS SECONDARY SCHOOL	KCB -Rongo	1149246863		31,029.70
MUMA MIXED SECONDARY SCHOOL	Co-op-Rongo	1141618840300		189,973.00

NDONYO SECONDARY SCHOOL	Co-op -Rongo	1141618757800		209,044.00
NDURU GIRLS HIGH SCHOOL	KCB- Rongo	1128142589		489.5
NDONYO PRIMARY SCHOOL	KCB -Rongo	1257603388		-
NYABIGENA DOK PRIMARY	KCB -Rongo	1287465099		297
NYABIGENA BOYS SEC.SCHOOL	Equity-Kisii	510297035444		10,927.00
NYABIOSI MARANATHA PRIMARY SCHOOL	KCB -Rongo	1264858906		6,373.90
NYABITUNWA BINE PRIMARY SCHOOL	KCB-Rongo	1257443836		1,030.55
NYAKORERE MFA PRIMARY SCHOOL	KCB -Rongo	1172095884		45,873.50
NYAKORERE SECONDARY SCHOOL	KCB -Rongo	1274939496		242,816.00
NYAMAGENA MABARIRI DEB PRIMARY SCHOOL	Eco Bank - Kisii	6622007730		74,196.15
NYAMONDO SECONDARY SCHOOL	Eco Bank - Kisii	6622007385		10,251.79
NYANGWETA DOK PRIMARY SCHOOL	Co-op-Kisii	1139671266200		46,419.50
NYANGWETA DOK SECONDARY	KCB-Rongo	1257781286		49,611.00
NYANSEMBE DOK PRIMARY SCHOOL	KCB -Rongo	1149246197		1,486.40
OMOBIRI SECONDARY SCHOOL	KCB -Rongo	1254912185		126,957.00
OTENDO PRIMARY SCHOOL	KCB -Rongo	1286361672		130,188.00
MANYWANDA GIRLS SECONDARY SCHOOL	Co-op -Rongo	1141618701200		1,963.05
RAMOYA HILL GIRLS SECONDARY SCHOOL	Co-op-Rongo	1141618587500		2,140.00
RIGENA PRIMARY SCHOOL	Co-op-Rongo	1141017472100		10,748.00
RIASUTA PRIMARY SCHOOL	KCB -Rongo	1266527362		2,672,651.00
RIOSANTA SDA PRIMARY SCHOOL	Co-op -Rongo	1141017525200		2,193,177.00
NYAMUE PRIMARY SCHOOL	Co-op -Rongo	1141017384200		-
ST.JOSEPH'S KIORORI SECONDARY SCHOOL	KCB -Rongo	1257864033		1,902,172.00
ST.LINUS ETAGO GIRLS SECONDARY SCHOOL	KCB -Rongo	1298004993		1,473.00

BOMONYAMA DEB PRIMARY SCHOOL	Co-op -Rongo	1141017089800		-
TABAKA BOYS PRIMARY SCHOOL	Co-op -Rongo	1141618232000		2,805.00
TABAKA BOYS HIGH SCHOOL	KCB -Rongo	1149554479		4,684.00
TABAKA DEB PRIMARY SCHOOL	KCB -Rongo	12044400288		-
TABAKA TOWNSHIP MIXED SECONDARY SCHOOL	Co-op -Rongo	1141018972400		84
MARONGO PAG SECONDARY SCHOOL	Co-op -Rongo	1141241372400		332,880.00
TABAKA GIRLS PRIMARY SCHOOL	Co-op -Rongo	1141017549500		504,644.74
NYANGWETA SDA PRIMARY	KCB-Rongo	1252245939		10,262.00
MANYWANDA B DOK PRIMARY SCHOOL	KCB-Rongo	1204271275		2,562.95
KARUNGU SECONDARY SCHOOL	KCB-Rongo	1266444750		96
NYASASA PRIMARY SCHOOL	KCB-Rongo	1264736142		3,880.00
KEBABE DEB PRIMARY SCHOOL	KCB-Rongo	1149296224		7,310.00
RIANYAMARI DOK PRIMARY	KCB-Rongo	1286142954		89,045.00
BOSAGA DOK PRIMARY	KCB-Rongo	1257113976		69,299.40
ICHUNI SDA PRIMARY SCHOOL	KCB-Rongo	1257889716		-
NYABIGEGE DOK PRIMARY SCHOOL	KCB-Rongo	1285755421		97,575.00
KABONYO PRIMARY SCHOOL	KCB-Rongo	1277045755		1,708.50
NYAMONDO CHIEF'S OFFICE	KCB-Rongo	1286740665		42,241.70
NDURU PRIMARY SCHOOL	KCB-Rongo	1257738380		8,667.00
MOTICHO PRIMARY SCHOOL	KCB-Rongo	1265065276		1,164.20
NCHORO SDA MIXED SECONDARY SCHOOL	KCB-Rongo	1315618796		9,155.00
NYATWONI SECONDARY SCHOOL	Co-op-Rongo	1141477936500		152,969.74
NYAKEMBENE PRIMARY SCHOOL	Co-op-Rongo	1141617757200		5,522.50
IRINGA PRIMARY SCHOOL	Co-op-Rongo	1141017536100		365

NYASASA SECONDARY SCHOOL	Co-op-Rongo	1139477493401		47,958.50
NYAGICHENCHE SDA PRIMARY SCHOOL	Co-op-Rongo	1141017529100		70,655.00
KIORORI PRIMARY SCHOOL	Co-op-Rongo	1141017097300		53,058.00
NYAMIOMU PRIMARY SCHOOL	Co-op-Rongo	1141017560500		221,820.24
MESARIA PRIMARY SCHOOL	Co-op-Rongo	1141617924600		6,978.50
			54,450,392	**17,210,201**

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)*
South Mugirango NG CDF /2022/23/1	**1.0 Inaccuracy in the Financial Statements** Note 14B to the financial statements on gratuity reflects gratuity as at 1July ,2023 of Kshs.370,974which differs with the previous year's closing balance of Ksh Nil, resulting in an unexplained variance of Ksh.370,794. Further, the Note erroneously reflects gratuity held during the year of Ksh Nil. Instead of Ksh 370,974resultig in an understatement of Ksh 370,794. amount each in respect of gratuity held during	The management has since corrected the error and amended the financial statement	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	the year and gratuity paid during the year. However, Note 4 to the financial statements on compensation of employees reflects gratuity amounts of Kshs.370,794 and Kshs.864,802 for the 2022/2023 and 2021/2022 financial years respectively. No explanation was provided for the discrepancies			
South Mugirango NG CDF /2022/23/001	**2.0 Project Management Committee account Balances** Annex 5 to the financial statements reflects PMC bank balances totaling to Ksh 17,210,201 that were in the bank account as at 30th June 2023, however	The bank balances certificate were not provided at the time of audit since all the school were in holiday and the PMC signatories could not be available however same have been provided now for	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	none of the amounts were returned to the constituency accounts as stated in the fund's unutilized funds from the PMC policy. Further, the bank statements or confirmation of bank balance certificates in support of the balances were not provided for audit. In the circumstances, the Accuracy and completeness of the PMC bank balances of Ksh 17,210,201could not be confirmed. Also, the unutilized balances on PMC accounts relating to completed projects	audit review The Management further confirms that the unutilized balances has not be misused these were actually retention held and has since been paid to the contractors after the defect liability period.		

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)*
	may be misused.			
South Mugirango NG CDF /2022/23/001	**Emphasis of Matter** **1.0. Budgetary Control and Performance** The summary statement of appropriation reflects receipts budgets and actual on comparable basis amounts of Ksh 182,288,032 and Ksh 121,327,857 respectively, resulting in an underfunding of Ksh 60,960,175or 33%of the budget. Similarly, the fund expended Ksh 78,223,575 against an approved budget of Ksh 182,288,032,	The underfunding and under expenditure of the approved projects were due to the late disbursement of fund from the national exchequer for the period under review, however the fund has been received and project implemented, complete and in use	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	resulting in an under expenditure of Ksh 104,064,457 or 57% of the budget. Further, the budget execution by sectors and project schedule shows that the under expenditure of Ksh 104,064,457 includes Ksh 48,790,794 in respect of thirty-two (32) environment, primary Schools, Secondary Schools, security and other projects, which were not implemented during the year, despite having been approved for implementation. The underfunding and the under expenditure affected			

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)*
	the Fund's planned Activities, impacting negatively on the service delivery to the residents of south Mugirango constituency.			
South Mugirango NG CDF /2022/23/001	**2.1. Late Disbursement of Funds** The statement of receipts and payments reflects transfers from NGCDFBOARD amount of Ksh 99,300,000 which includes ksh 46,000,000 received by the fund in the month of June 23,the latter amount Ksh 12,000,000,Ksh 18,000,000 and ksh	The management did get funds late, and adversely affected the implementation of the planned activities as scheduled. The management however would confirm the receipt of the funds and projects implemented	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	16,000,000 released by the board on June 4 ,15,and 21 June,2023 respectively, therefore some of the funds could not be utilized by the end of the financial year. In addition, other transfer amounting to Ksh 43,334,043 were disbursed by the board in the months of august and December,2023 out of the budgeted funds for the 2022/2023 financial year. The late exchequer releases could have adverse effects on the implementation of the planned activities on the			

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)*
	projects by the national Government constituencies Development Fund-South Mugirango Constituency for the year ended 30 June 2023.			
South Mugirango NG CDF /2022/23/001	**Other Matters** **Unresolved prior year Audit issues** The signed report of the Auditor-General for the financial year ended 30 June 2022 contained various audit issues which remained unresolved as at 30 June 2023, Management has not provided reasons for not resolving the prior year's audit	The management has appeared before the parliamentary committee on Devolved fund in October 2024 and is yet to received report on the same	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	issues. Further, these prior year issues have not been included in the progress on follow up of Auditor Recommendation section in financial statement.			
South Mugirango NG CDF /2022/23/001	**1.0. Mismanagement of a New School Bus - Omobiri Secondary School** The statement of receipt and payments reflects transfers to other government units balance of Ksh.17,187,344 which, as disclosed in note 7 to the financial	The school management has since put the bus inti use by getting insurance sticker, employing a qualified driver and constructing a shade for the bus	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	statement includes transfers to secondary a schools amount of Ksh 13,395,138 out of which Ksh 800,000was transferred to Omobiri Secondary School towards final payment for the purchase of a fifty two (52) seater bus whose total cost was Ksh 9,225,000. However Audit inspection in the month of March, 2024 revealed the following anomalies in the management of the bus. **1.1. Non-operating new School Bus.- Omobiri Secondary School** **Finding**			

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)*
	The statement of receipts and payments reflects transfers to other Government units balance of Kshs.17,187,344 which, as disclosed in Note 7 to the financial statements, includes transfers to secondary schools amount of Kshs.13,395,138 out of which, Kshs.800,000 was transferred to Omobiri Secondary School towards the final payment for the purchase of a fifty-two (52) seater bus. However, audit inspection in the month of March, 2024 revealed the following weakness in the management of the bus: i. The bus had not			

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)*
	been put into use after being delivered to the school in the month of August, 2023, as evidence of the bus movement by way of the completed work tickets was provided for audit. ii. The bus did not have a current inspection sticker and an insurance policy after both expired in the month of June, 2023. iii. The school had not employed a driver. iv. The bus had been parked in an open field which exposes it to adverse			

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)*
	weather conditions.			
South Mugirango NG CDF /2022/23/001	**2.0. Other Grants And transfers** The statement of receipts and payments reflects other grants and transfers balances of Ksh 50,922,045 as disclosed in Note 8 the financial statements. The following unsatisfactory matters were noted; **2.1. Unapproved Re-allocation of Bursary to the needy** The balance of Ksh 50,922,045 include bursary-secondary School amount of 14,727,261 out of which, Ksh 2,000,000 was disbursed to Nduru Girls High school in March,	Management of Ndonyo Secondary school has provided d explanation on the anomaly	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	2024.However, the verification of bursary payments at the school revealed that the latter amount was not distributed as per the list of beneficiaries approved by the NG-CDF bursary vetting committee. Further, five (5) of the beneficiaries had cleared school fees amounting to Ksh 85,360 and the whole amount allocated to them was reallocated or issued to unapproved or unvetted beneficiaries by the school management. In addition, another five (5) beneficiaries were rewarded less amount by the school's management than			

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)*
	what the NG-CDF bursary vetting committee had approved, and the difference was awarded to new students who had not been approved or vetted. Also, Ksh 60,855 bursaries approved to benefit four(4) students were instead issued by the school management to new beneficiaries who had no admission numbers. In the circumstances, the regularity of the expenditure of Ksh 2,000,000 could not be confirmed.			

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)*
South Mugirango NG CDF /2022/23/001	**Undistributed Bursary Funds to the Vetted Beneficiaries-Ndonyo Mixed Secondary School** The bursary-Secondary schools' amount of Ksh 14,727,261 includes Ksh 917,000 disbursed to Ndonyo Mixed Secondary School. However, verification of the disbursement at the school in march ,2024 revealed that the school Management had not disbursed the amount of Ksh 917,000 to intended listed beneficiaries, despite the fact that the amount was disbursed to the school in November ,2022. In the circumstances,	Management of Ndonyo Secondary school has provided d explanation on the anomaly	Ongoing	1st March 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
	the value for money of the expenditure of Ksh 917,000 could not be confirmed.			

Annex 7: Trial Balance as at 30th June 2024

		DR	CR
Cash and Cash equivalents			
	Bank Balances	7,622,254	
	Cash Balances		
	Outstanding Imprest		
Payments			
	Compensation of Employees	4,286,939	
	Committee expenses	4,352,122	
	Use of goods and services	9,158,776	
	Transfers to Other Government Units	106,602,620	
	Other grants and transfers	99,172,210	
	Acquisition of Assets	10,086,207	
	Other Payments	1,960,000	
Receipts			
	Transfers from the Board		200,074,846
	Proceeds from sale of assets		-
	Others receipts		62,000
Prior Year Adjustment			-
Fund Balance b/f			43,104,282
TOTAL		243,241,128	243,241,128

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Name: Francis Ogutu Onyango

Fund Account Manager.