

REPUBLIC OF KENYA



*Enhancing Accountability*



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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT  
FUND – KIMILILI CONSTITUENCY**

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

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



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**KIMILILI CONSTITUENCY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2024**

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

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## 1. Acronyms and Definition of Key Terms

### A. Acronyms

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

### B. Definition of Key Terms

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

**Comparative Year**- Means the prior period.

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

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

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

### **Mandate**

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

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

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and, in particular, expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

### **Vision**

Equitable Socio-economic development countrywide.

### **Mission**

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

### **Core Values**

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

## **Functions of NG-CDF Committee**

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

### **(b) Key Management**

The NGCDF Kimilili 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 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Thomas M. Ontweka
2.	National Sub-County Accountant	Enos Wanzetse Kondo
3.	Chairman NGCDFC	Hillary Wafula
4.	Member NGCDFC	Celestine Waliaula

### **(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 Kimilili 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 Kimilili Constituency Headquarters**

P.O. Box 60-50204  
NG-CDF Building  
Kimilili-Chwele Highway  
Kimilili KENYA.

**(f) NGCDF Kimilili Constituency Contacts**

Telephone: (254) 722574566  
E-mail: kimililingcdf.go.ke  
Website: [www.ngcdf.go.ke/kimilili](http://www.ngcdf.go.ke/kimilili)

**(g) NGCDF Kimilili Constituency Bankers**

1. Co-operative Bank-Kimilili Branch  
P.O. Box 552  
Kimilili.  
A/C no. 1146215614 – Kimilili Branch

**(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**



**Hillary Wafula**  
**Chairman**

I am privileged to present our annual financial report for the FY 2023/2024. This year we have witnessed an improved performance in the overall management of the fund; we have equally launched some of the projects that had been earlier initiated. We continue to boast of a committed and qualified team that has adapted to the challenges facing the fund thus demonstrating our ability to deliver substantial, sustained value for money to our constituents.

**BUDGET PERFORMANCE**

We are proud to share with you that we had a 97% utilization of funds received from the NG-CDF Board. Utilization of funds helps us enhance our core focus and objectives of serving the constituents of Kimilili.

**KEY ACHIEVEMENTS DURING THE YEAR**

Strong management and governance have been key components of our operational model. This has resulted into the following key achievements during the year:

**1. Completion of key Flagship Projects**

During our first year in office, we initiated a number of key flagship projects for implementation. I am proud to report that the following Projects have been successfully finished and handed over to the users; Kimilili DEB Primary school (8 Classrooms Storey) Chesamisi FYM Primary school (8 Classrooms), Kimilili RC Girls Primary school (8 Classrooms storey), St. Michaels Musembe Primary School (8 Classrooms storey) and Kamusinde R.C Primary School. The photos below indicate the schools mentioned above.

**2. Bursary Disbursement**

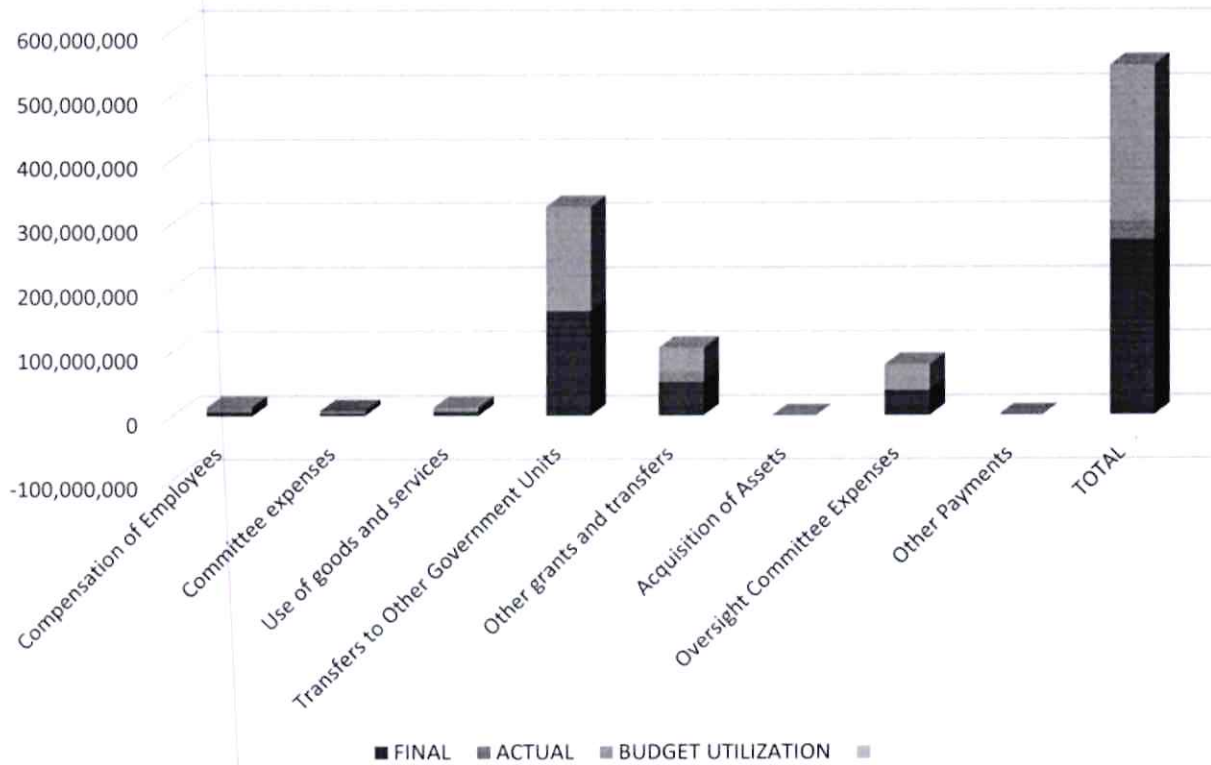
Our bursary award scheme for 2023/24 was able to benefit way more than 2210 beneficiaries. Besides, we set aside money that benefitted special groups including Persons with Disability (PWD) and Orphans (OVCs).

	<b>Final Budget</b>	<b>Actual Expenditure</b>	<b>Budget Utilization Difference</b>	<b>Utilization percentage</b>
Compensation of Employees	6,319,267	7,411,047	(1,091,780)	117%
Committee expenses	3,524,350	3,941,950	(417,600)	112%
Use of goods and services	7,099,274	711,560	6,387,714	10%
Transfers to Other Government Units	162,947,756	-	162,947,756	0%
Other grants and transfers	52,971,922	16,263,650	36,708,272	31%

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

Acquisition of Assets	-	-	-	-
Oversight Committee Expenses	39,998,779	-	39,998,779	-
Other Payments	-	-	-	0.0%
<b>TOTAL</b>	<b>272,861,348</b>	<b>28,328,207</b>	<b>244,533,141</b>	<b>10%</b>

**KEY ACHIEVEMENTS DURING THE YEAR**



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



**Kimilili D.E.B Primary school Construction of 8 No classrooms - FY 2022-2023**



**Kimilili D.E.B Primary school Construction of 8No classrooms. FY 2022/2023**



**Chesamisi FYM Primary School Construction of 8No classroom FY 2022/2023**



**Kimilili R.C Girls –Construction of 8No classroom FY 2022-2023**



**St. Michaels Musembe R.C Primary School Construction of 8 No classrooms-FY 2022-2023**



**Sikhendu FYM Primary School. Construction of 8No classroom. FY 2022/2023**

### **KEY IMPLIMENTATION CHALLENGES.**

We experienced operational challenges in the course of the year. These included but were not limited to the following:

1. Most of the PMC members were not well acquainted to the operational nature of the fund. To this regard, the committee embarked on capacity building activities scheduled throughout the FY to empower the PMCs, NG-CDF staff as well as committee members on issues of importance in the operation of the fund.
2. Piece meal funding from the NG-CDF Board curtailed efficient implementation of projects by the committee. The committee therefore agreed to hasten the utilization of funds as received from the board as well as prevailing upon the board to fast track release of funds.

In summary, 2023/24 was a year of great performance. We have demonstrated we have the right strategy, the right culture and the right geographical footprint to deliver consistent and sustained value for our constituents. We enter 2024/2025 in excellent shape and a positive note. We have recently signed a performance contract with the NG-CDF Board which I am convinced will improve on our performance

## **EMERGING ISSUES**

### **Climate Change**

Vulnerability to climate change continues to pose risks including drought and floodings. These environmental challenges affect agriculture, water resources and food security.

### **Technological Advancement**

The rise of digital technologies brings opportunities but also challenges related to data privacy.

**Youth Unemployment**

With a significant youth population, unemployment rates are high. There is a need for job creation and skills development to empower the youth.



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**Hillary Wafula**  
**CHAIRMAN NGCDF COMMITTEE**

#### **4. Statement of Performance against Predetermined Objectives for FY2023/24**

##### **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 **Kimilili Constituency 2022-2027** plan are yet to be done.

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

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

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

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Reduced distance covered by school children, Increases opportunities for school leavers, Education for the disabled, Improved learning facilities	Number of Classrooms/ laboratories Constructed of school going children	8no. classroom storey buildings were constructed in 5 primary schools and 2210 students benefited from Bursaries
Environment	Improve hygiene standards in schools.	Construction of Modern toilets in schools	Number of toilets built in primary and secondary.	The constituency constructed 15 Modern toilets in various Primary schools.
Sports	Promote peace building activities and enhance community cohesion.	Sports activities for the youth and other vulnerable groups.	Number of Sports Tournaments organized.	The Constituency set aside budgetary allocation for tournaments where youths will be awarded with trophies.
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery.	Construct an ICT Centre and equip with computers and internet Connectivity.	Number of ICT Centers built and equipped.	The Constituency built 1 youth ICT Centre in Kimilili in the financial year 2022/2023.

## **5. Governance Statement**

### **a. NG-CDFC process of appointment**

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

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

1. Constituency Committee Shall comprise of;

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

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

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

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

The persons appointed are drawn from different groupings as follows:

- Male Adult- Hilary Wafula-Chairman
- Male youth – John Sundwa - Member
- Female adult – Mary Mutimbia - Member
- Female youth – Celestine Waliula - Secretary
- PWD REP – Wycliffe Simiyu-Member
- Co-opted Member – Elizabeth Wekesa - Member
- Female Nominee of constituency Office – Mary Namaswa - Member
- Male Nominee of constituency Office – Enock Muganda Obwaka - Member

**b. NG-CDFC Tenure**

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

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

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

**d. Removal of a member**

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

**e. NG-CDFC Induction and training**

A comprehensive training program for the National Government Constituencies Development Fund Committee (NGCDFC) members from the Western Region was held from **13<sup>th</sup> May, 2024 to 17<sup>th</sup> May 2024** at **Tom Mboya Labour College in Kisumu**. This

training aimed to equip committee members with the necessary knowledge and skills to perform their roles effectively.

**Key Aspects of the Training:**

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

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

**f. Number of meetings:**

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

In Kimilili Constituency, the NG-CDF Committee conducted 8 meetings.

Governed by the National Government Constituencies Development Fund Act, 2015. This committee plays a crucial role in overseeing the allocation and utilisation of funds for constituency development projects. Here's a general outline of the process:

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

No.	Name of committee member	Meetings held							
		31/08/23	21/12/23	29/12/23	07/02/24	27/02/24	20/03/24	17/04/24	10/07/24
1.	Hilary Wafula	√	√	√	√	√	√	√	√
2.	Celestine Waliula	√	√	√	√	√	√	√	√
3.	Enock Obwaka	√	√	√	√	√	√	√	√
4.	John Sundwa	√	√	√	√	√	√	√	√
5.	Mary Mutimbia	√	√	√	√	√	√	√	√
6.	Wycliffe Simiyu	√	√	√	√	√	√	√	√
7.	Mary Namaswa	√	√	√	√	√	√	√	√
8.	Elizabeth Wekesa	√	√	√	√	√	√	√	√

**g. Remuneration Rates**

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

Members: KShs 5,000 per meeting

Chairman: KShs 7,000 per meeting

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

**h. Disclose the policy on conflict of interest**

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

**i. Succession plan**

Vacancies arising as a result of the removal or end of tenure of the s of the Constituency Committee, the vacancy shall be filled in the manner set out

in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of s.

**j. Ethics and code of conduct**

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

**k. Risk Management**

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

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

## **6. Environmental and Sustainability Reporting**

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

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

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

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

## **2. Environmental performance**

Environmental policy is the commitment of an organization or government to the laws, regulations and other policy mechanisms concerning environmental issues. Kimilili NG-CDF has drafted an environmental policy on:-

- a) Increasing of the number of trees in the constituency by ensuring that in every year funds on planting of trees are allocated to schools within the constituency.  
Ensuring that water reserves are installed every year on NG-CDF projects to promote harvesting of water

## **3. Employee welfare**

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

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

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

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

NGCDF has put in efforts to ensure:

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

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

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

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

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The

identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

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

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

**Public Awareness**

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

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



.....  
**Thomas M. Ontweka**  
**Fund Account Manager.**

## **7. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the NGCDF-Kimilili 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-Kimilili Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kimilili 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 Kimilili 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- Kimilili Constituency financial statements were approved and signed by the Accounting Officer on 23.12.2024.



.....  
**Name: Hillary Wafula**  
**Chairman – NGCDF Committee**

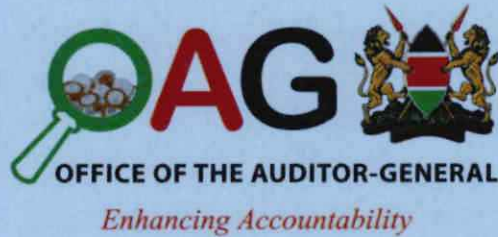


.....  
**Name: Thomas M. Ontweka**  
**Fund Account Manager**



# REPUBLIC OF KENYA

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

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

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### 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.
- 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 – Kimilili Constituency set out on pages 1 to 51, which comprise the statement of assets and liabilities as at 30 June, 2024 and the statement of

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*Report of the Auditor-General on National Government Constituencies Development Fund – Kimilili Constituency for the year ended 30 June, 2024*

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Kimilili 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**

#### **Unsupported Prior Year Adjustments**

The statement of assets and liabilities and as disclosed in Note 16 to the financial statements reflect a prior year adjustments balance of Kshs.99,040. However, the Management did not provide supporting documents including the details and explanations for the adjustments for audit review.

In the circumstances, the accuracy and completeness of prior year adjustments balance of Kshs.99,040 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 – Kimilili 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 final receipts budget and actual on comparable basis of Kshs.272,861,348 and Kshs.80,000,883 respectively, resulting to under-funding of Kshs.192,860,465 or 71% of the budget. Similarly, the Fund spent an amount of Kshs.28,328,207 against a budget of Kshs.272,861,348 resulting to under-expenditure of Kshs.244,533,141 or 90% of the budget.

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

My opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

In the previous year audit, several issues were raised under Report on the financial statements and Report on Lawfulness and Effectiveness in Use of Public Resources. The Management has indicated under the progress on follow up on Auditor's recommendations section of the financial statements that the issues were not resolved. No explanation was provided for the delay in resolving the issues.

## **Other Information**

The Management is responsible for the other information set out on page iii to xxvii which comprise of Key Entity Information and Management, 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 and I am required to report that fact. I have nothing to report in this regard.

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis of Conclusion**

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

*Report of the Auditor-General on National Government Constituencies Development Fund – Kimilili Constituency for the year ended 30 June, 2024*

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 of Conclusion**

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

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

The 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 the 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 sustain services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease its operations.

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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

**Nairobi**

**31 December, 2024**

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

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

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	80,000,000	70,500,000
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	45,720
<b>Total Receipts</b>		<b>80,000,000</b>	<b>70,545,720</b>
<b>Payments</b>			
Compensation of Employees	4	7,411,047	2,694,973
Committee expenses	5	3,941,950	822,650
Use of Goods and Services	6	711,560	4,861,363
Transfers to Other Government Units	7	-	44,385,720
Other Grants and Transfers	8	16,263,650	16,930,131
Acquisition of Assets	9	-	-
Other Payments	10	-	900,000
<b>Total Payments</b>		<b>28,328,207</b>	<b>70,594,837</b>
<b>Surplus/(Deficit)</b>		<b>51,671,793</b>	<b>(49,117)</b>

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

The Constituency financial statements were approved by the NGCDFC on 20-11- 2024 and signed by:

*H B wafula*

**Chairman NG-CDF  
Committee  
Name: Hillary Wafula**

*T M Ontweka*

**Fund Accountant Manager  
Name: Thomas M. Ontweka**



*Enos Wanzetse Kondo*

**National Sub-County  
Accountant  
Name: Enos Wanzetse  
Kondo  
ICPAK M/No:31998**




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


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

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	11A	51,771,716	883
Cash Balances	11B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>51,771,716</b>	<b>883</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	12	-	-
<b>Total Financial Assets (A)</b>		<b>51,771,716</b>	<b>883</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable</b>			
Retention	13	-	-
Gratuity	14	-	-
<b>Total Financial Liabilities (B)</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets (A-B)</b>		<b>51,771,716</b>	<b>883</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	883	50,000
Prior Year Adjustments	16	99,040	-
Surplus/(Deficit)for The Year		51,671,793	(49,117)
<b>Net Financial Position</b>		<b>51,771,716</b>	<b>883</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 20-11-2024 and signed by:

  
 .....  
**Chairman NG-CDF  
 Committee**  
**Name: Hillary Wafula**

  
 .....  
**Fund Accountant Manager**  
**Name: Thomas M. Ontweka**

  
 .....  
**National Sub-County  
 Accountant**  
**Name: Enos Wanzetse  
 Kondoa**  
**ICPAK M/No: 31998**



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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	80,000,000	70,500,000
Other Receipts	3	-	45,720
<b>Total Receipts</b>		<b>80,000,000</b>	<b>70,545,720</b>
<b>Payments</b>			
Compensation of Employees	4	7,411,047	2,694,973
Committee Expenses	5	3,941,950	822,650
Use of Goods and Services	6	711,560	4,861,363
Transfers to Other Government Units	7	-	44,385,720
Other Grants and Transfers	8	16,263,650	16,930,131
Other Payments	10	-	900,000
<b>Total Payments</b>		<b>28,328,207</b>	<b>70,594,837</b>
<b>Total Receipts Less Total Payments</b>		<b>51,671,973</b>	<b>(49,117)</b>
Adjusted For:			
Prior Year Adjustments	16	99,040	-
Decrease/(Increase) in Accounts Receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
<b>Net Adjustments</b>		<b>99,040</b>	
<b>Net Cash Flow from Operating Activities</b>		<b>51,770,833</b>	<b>(49,117)</b>
<b>Cash flow From Investing Activities</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>-</b>
Net Increase in Cash & Cash Equivalents		<b>51,770,833</b>	<b>(49,117)</b>
<b>Cash &amp; Cash Equivalent at Start of the Year</b>	<b>11</b>	<b>883</b>	<b>50,000</b>
<b>Cash &amp; Cash Equivalent at End of the Year</b>	<b>11</b>	<b>51,771,716</b>	<b>883</b>

*National Government Constituencies Development Fund (NGCDF)  
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**12. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2024**

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	B		c=a+b	D	e=c-d	f=d/c %
	2023/2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursement	2023/2024			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>							
Transfers From NGCDF Board	179,556,553	883	93,303,912	272,861,348	80,000,883	192,860,465	29
Proceeds From Sale of Assets				-	-	-	#DIV/0 !
Other Receipts	-			-	-	-	#DIV/0 !
<b>Totals</b>	<b>179,556,553</b>	<b>883</b>	<b>93,303,912</b>	<b>272,861,348</b>	<b>80,000,883</b>	<b>192,860,465</b>	<b>29</b>
<b>Payments</b>							
Compensation of Employees	6,314,240	-	5,027	6,319,267	7,411,047	(1,091,779)	117
Committee Expenses	2,360,000	-	1,164,350	3,524,350	3,941,950	(417,600)	112
Use of Goods and Services	6,319,195	883	779,196	7,099,274	711,560	6,387,714	10
Transfers to Other Government Units	83,748,476	-	79,199,280	162,947,756	-	162,947,756	-
Other Grants and Transfers	40,815,863	-	12,156,059	52,971,922	16,263,650	36,708,272	31
Acquisition of Assets	-	-	-	-	-	-	#DIV/0 !
Other Payments	39,998,779	-	-	39,998,779	-	39,998,779	-
	-	-	-	-			
<b>Totals</b>	<b>179,556,553</b>	<b>883</b>	<b>93,303,912</b>	<b>272,861,348</b>	<b>28,328,207</b>	<b>244,533,141</b>	<b>10</b>

**National Government Constituencies Development Fund (NGCDF)  
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*\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.  
Explanatory Notes.*

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

*(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.*

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	244,533,141
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2024	192,860,465
	51,672,676
Increase/(decrease)Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	99,040
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2024	51,771,716

13. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> 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
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	6,314,240		5,027	6,319,267	7,411,047	(1,091,780)
1.2 Committee allowances	1,340,000		152,350	1,492,350	1,492,350	-
1.3 Use of goods and services	2,341,384		623,637	2,965,021	240,960	2,724,061
<b>Sub-total</b>	<b>9,995,624</b>		<b>781,014</b>	<b>10,776,638</b>	<b>9,144,357</b>	<b>1,632,281</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	2,170,811		1,000,000	3,170,811	1,888,200	1,282,611
2.2 Committee allowances	1,020,000		12,000	1,032,000	1,032,000	-
2.3 Use of goods and services	1,807,000	883	155,559	1,963,442		1,963,442
<b>Sub-total</b>	<b>4,997,811</b>	<b>883</b>	<b>1,167,559</b>	<b>6,166,253</b>	<b>2,920,200</b>	<b>3,246,053</b>
<b>3.0 Constituency Oversight Committee (Itemize as per budget)</b>						
3.1				-		-
				-		-
<b>Sub-total</b>				-		-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>4.0 Emergency</b>	8,768,091			8,768,091		8,768,091
4.1 Primary Schools			232,109	232,109		232,109
4.2 Secondary schools				-		-
4.3 Tertiary institutions				-	-	-
4.4 Security projects				-		-
<b>Sub-total</b>	<b>8,768,091</b>		<b>232,109</b>	<b>9,000,200</b>		<b>9,000,200</b>
<b>5.0 Bursary and Social Security</b>						
5.1 Primary Schools				-		-
5.2 Secondary Schools	18,447,772		8,393,950	26,841,722	15,300,000	11,541,722
5.3 Tertiary Institutions	10,000,000		3,530,000	13,530,000	860,000	12,670,000
5.4 Universities				-		-
5.5 Education Support Programmes				-		-
5.6 Special Schools	1,200,000			1,200,000		1,200,000
5.7 Social Security NHIF					103,650	(103,650)
<b>Sub-total</b>	<b>29,647,772</b>		<b>11,923,950</b>	<b>41,571,722</b>	<b>16,263,650</b>	<b>25,308,072</b>
<b>6.0 Sports</b>						
6.1				-		-
6.2				-		-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Sub-total</b>				-		-
<b>7.0 Environment</b>						
7.1 Makhonge FYM Primary School	200,000			200,000		200,000
7.2 Sosio RC Primary School	200,000			200,000		200,000
7.3 Kamukuywa FYM Primary School	200,000			200,000		200,000
7.4 Sikhendu Primary School	200,000			200,000		200,000
7.5 Kamusinde RC Primary School	200,000			200,000		200,000
7.6 Maeni FYM Primary School	200,000			200,000		200,000
7.7 Sango Baptist Primary School	200,000			200,000		200,000
7.8 Lwanda SA Primary School	200,000			200,000		200,000
7.9 Bituyu FYM Primary School	200,000			200,000		200,000
7.10 Siuna SA Primary School	200,000			200,000		200,000

*National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
7.11 Kimilili FYM Primary School	200,000			200,000		200,000
7.12 St. Johns Miruli RC Primary School	200,000			200,000		200,000
<b>Sub-total</b>	<b>2,400,000</b>			<b>2,400,000</b>		<b>2,400,000</b>
<b>8.0 Primary Schools Projects</b>						
<b>(List all the Projects)</b>						
8.1 Kimilili RC Primary School	1,382,030		4,150,300	5,532,330		5,532,330
8.2 Matili RC Primary School	6,602,047			6,602,047		6,602,047
8.3 Matili RC Primary School	2,302,050			2,302,050		2,302,050
8.4 Matili FYM Primary School	2,787,130			2,787,130		2,787,130
8.5 Suleiman Murunga Primary.	304,263		7,000,000	7,304,263		7,304,263
8.6 Nakalira Primary School	3,400,456		7,000,000	10,400,456		10,400,456
8.7 Kambini CC Primary School	3,277,995			3,277,995		3,277,995
8.8 Chelekei Primary School	5,077,777			5,077,777		5,077,777

*National Government Constituencies Development Fund (NGCDF)*  
*Kimilili Constituency*  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
8.9 Kamusinde FYM Primary School	1,483,680		3,200,000	4,683,680		4,683,680
8.10 SA Nasianda Primary School	1,577,280			1,577,280		1,577,280
8.11 Lutonyi Primary School -	2,400,000			2,400,000		2,400,000
8.12 Namasanda Primary School	2,940,312			2,940,312		2,940,312
8.13 SA Nasiada Primary School	11,789,400			11,789,400		11,789,400
8.14 Bituyu Primary school	5,401,275		2,000,000	7,401,275		7,401,275
8.15 Daraja Mungu Primary	7,097,115		2,000,000	9,097,115		9,097,115
8.16.Kamasielo FYM Primary			3,250,000	3,250,000		3,250,000
8.17 Kamkuywa AC Primary			11,000,000	11,000,000		11,000,000
8.18 Kamusinga AC Primary			7,000,000	7,000,000		7,000,000
8.19 Kibunde FYM Primary			5,000,000	5,000,000		5,000,000
8.20 Musembe Primary			4,400,000	4,400,000		4,400,000
8.21 Namawanga DEB Primary			6,584,700	6,584,700		6,584,700

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
8.22 Sikhendu Primary			4,200,000	4,200,000		4,200,000
8.23 Kitayi Primary			164,280	164,280		164,280
8.24 Khwiroro Primary			1,000,000	1,000,000		1,000,000
8.25 Punda Primary			3,750,000	3,750,000		3,750,000
8.26 Kimilili DEB Primary			1,000,000	1,000,000		1,000,000
8.27 Sango Baptist Primary			6,500,000	6,500,000		6,500,000
<b>Sub-total</b>	<b>57,822,810</b>		<b>79,199,280</b>	<b>137,022,090</b>		<b>137,022,090</b>
<b>9.0 Junior Secondary Schools Projects</b>						
Lukhome Baptist Junior Secondary Schools	2,400,000			2,400,000		2,400,000
Mwangale DEB Junior Secondary School	2,400,000			2,400,000		2,400,000
Sivakala RC Junior Secondary School	2,400,000			2,400,000		2,400,000
Kimingichi Junior Secondary School	2,400,000			2,400,000		2,400,000
Luvokha SA Junior Secondary School	2,400,000			2,400,000		2,400,000
St. Johns Miruli RC Junior Secondary School	600,000			600,000		600,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Namboani FYM Junior Secondary School	362,833			362,833		362,833
Sulwe J.I Junior Secondary School	2,400,000			2,400,000		2,400,000
Namboani RC Junior Secondary School	2,400,000			2,400,000		2,400,000
Nashioya Junior Secondary School	2,400,000			2,400,000		2,400,000
Kimilili RC Boys Junior Secondary School	2,400,000			2,400,000		2,400,000
Lutonyi FYM Junior Secondary School	2,400,000			2,400,000		2,400,000
Chebukwabi FYM Junior Secondary School	600,000			600,000		600,000
Namboani FYM Junior Secondary School	362,833			362,833		362,833
<b>Sub-total</b>	<b>25,925,666</b>			<b>25,925,666</b>		<b>25,925,666</b>
<b>10.0 Tertiary Institutions</b>						
<b>10.1</b>						
<b>10.2</b>						
<b>Sub-total</b>						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>11.0 Security Projects</b>						
11.1				-		-
11.2				-		-
11.3				-		-
<b>Sub-total</b>				-		-
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including motorbikes)				-		-
12.2 Construction of CDF office				-		-
12.3 Purchase of furniture and equipment				-		-
12.4 Purchase of computers				-		-
12.5 Purchase of land				-		-
<b>Sub-total</b>				-		-
<b>13.0 Others</b>						
13.1 Strategic Plan				-		-
13.2 Innovation Hub				-		-
13.2 Kimilili Huduma Centre	39,998,779			39,998,779		39,998,779
<b>Sub-total</b>	<b>39,998,779</b>	-	-	<b>39,998,779</b>	-	<b>39,998,779</b>
Funds pending approval**						

**National Government Constituencies Development Fund (NGCDF)  
Kimilili Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
AIA						
PMC Savings						-
<b>Total</b>	<b>39,998,779</b>	-	-	<b>39,998,779</b>	-	<b>39,998,779</b>

*(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-Kimilili 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 30th June 2023 for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

**National Government Constituencies Development Fund (NGCDF)**  
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**15. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
<b>NGCDF Board</b>	<b>Kshs</b>	<b>Kshs</b>
AIE NO. B228511	50,000,000	
AIE NO. B225420	30,000,000	
AIE NO. A888549		13,000,000
AIE NO. B 185111		7,000,000
AIE NO. B 185523		6,000,000
AIE NO. B 185646		15,000,000
AIE NO. B 206145		5,000,000
AIE NO. B 206411		12,000,000
AIE NO. B 205656		500,000
AIE NO. B 205783		12,000,000
<b>TOTAL</b>	<b>80,000,000</b>	<b>70,500,000</b>

**2. Proceeds From Sale of Assets**

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

**3. Other Receipts**

	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	
Rent	-	
Receipts from sale of tender documents	-	45,000.0
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere (specify)	-	720.0

*National Government Constituencies Development Fund (NGCDF)  
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Total	-	45,720.0
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**4. Compensation Of Employees**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	4,183,091	2,694,973
Personal allowances paid as part of salary		
House Allowance	45,699	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	3,054,893	-
Employer Contributions Compulsory national social security schemes	127,364	-
Employer Contributions Compulsory Housing levy	-	-
Employer contributions to National Industrial Training Authority		
<b>Total</b>	<b>7,411,047</b>	<b>2,694,973</b>

**5. Committee Expenses**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>A.NG CDFC</b>		
Sitting allowance	3,941,950	332,650
Other committee expenses	-	490,000
<b>Sub total</b>	<b>3,941,950</b>	<b>822,650</b>
<b>B. Constituency Oversight Committee</b>		
Allowances	-	-
Other committee expenses	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total(A+B)</b>	<b>3,941,950</b>	<b>822,650</b>

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**6. Use of Goods and services**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	105,000	31,916
Communication, supplies and services	107,643	-
Domestic travel and subsistence	470,600	887,000
Printing, advertising and information supplies & services	-	540,600
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	598,000
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	7,000	1,302,700
Fuel, oil & lubricants	-	240,000
Bank Charges	-	1,164,000
Other operating expenses	21,317	25,147
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	72,000
Other operating expenses	-	-
<b>Total</b>	<b>711,560</b>	<b>4,861,363</b>

**7. Transfer To Other Government Units**

<b>Description</b>	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Transfers To Primary Schools	-	42,385,720
Transfers To Secondary Schools	-	2,000,000
Transfers To Tertiary Institutions	-	-
<b>Total</b>	<b>-</b>	<b>44,385,720</b>

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**8. Other Grants and Other transfers**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools	15,300,000	4,106,050
Bursary – tertiary institutions	860,000	4,470,000
Bursary – special schools	-	-
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	103,650	
Security projects	-	-
Sports projects	-	500,000
Environment projects	-	450,000
Emergency projects	-	7,404,081
Roads projects	-	-
<b>Total</b>	<b>16,263,650</b>	<b>16,930,131</b>

**9. Acquisition Of Assets**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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10. Other Payments

	<i>Insert current FY</i>	<i>Insert Comparative FY</i>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	-	900,000
ICT Hub	-	-
Others ( <i>specify</i> )		-
<b>Total</b>	<b>-</b>	<b>900,000</b>

11. Cash and Cash Equivalents

<b>Name of Bank and Account No.</b>	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>11A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Co-operative Bank, A/C no. 1146215614, Kimilili Branch. Kimilili NG-CDF (main account)</i>	51,771,716	883
Kenya Commercial Bank, A/C no. Branch. (Deposit account)	-	-
	-	-
<b>Total</b>	<b>51,771,716</b>	<b>883</b>
<b>11B: Cash Balances</b>		
	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Ksh(30/6/2024)</b>	<b>Ksh(30/6/2023)</b>
Location 1	-	-
Location 2	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*National Government Constituencies Development Fund (NGCDF)*  
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**12. Outstanding Imprests**

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

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

**13. Retention**

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

**Retentions aging analysis.**

	<i>2023-2024</i>	<i>% of the total Retention</i>	<i>2022-2023</i>	<i>% of the total Retention</i>
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total</b>	-	-	-	-

**14. Gratuity**

	<i>2023-2024</i>	<i>2022-2024</i>
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**National Government Constituencies Development Fund (NGCDF)**  
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	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	3,054,893	-
Gratuity paid during the Year (C)	3,054,893	-
<b>Closing Gratuity as at 30<sup>th</sup> June D= A+B-C</b>	-	-

**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	-	-	-	-
<b>Total</b>	-	-	-	-

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

**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2023)	(1 <sup>st</sup> July 2022)
	Kshs	Kshs
Bank accounts	883	50,000
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>883</b>	<b>50,000</b>
<b>Less</b>		
Payables: - Retention	-	-
Payables - Gratuity	-	-
<b>Fund Balance Brought Forward</b>	<b>883</b>	<b>50,000</b>

*[Provide short appropriate explanations as necessary]*

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (specify)	-	99,040	-
<b>Total</b>	-	<b>99,040</b>	-

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts in account receivables D= A+B-C	-	-
<b>Net changes in accounts Receivables D - A</b>	-	-

18. Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1 <sup>st</sup> 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	-	-
<b>Net changes in accounts payables D-A</b>	-	-

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**19. Other Important Disclosures**

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

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	-	-

**Aging Analysis for Pending Accounts Payables**

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

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

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	-

**Aging Analysis for staff Payables**

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

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

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	(1,091,779)	5,027
Committee expense	0	1,164,350
Use of goods and services	5,970,114	780,079
Amounts due to other Government entities	162,947,756	79,199,280
Amounts due to other grants and other transfers	36,708,272	12,156,059
Acquisition of assets	-	-
Other Payments (specify)	39,998,779	-
Funds pending approval		-
<b>Total</b>	<b>244,533,141</b>	<b>93,304,795</b>

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

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances	154,037	178,348
<b>Total</b>	<b>154,037</b>	<b>178,348</b>

**19.5 Related Party Transactions**

	<i>2023-2024</i>	<i>2022-2023</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year		
<b>Transaction with the NGCDF Board</b>		
Receipts from the NGCDF Board during the year		
<b>Total</b>		

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	
<b>Construction of buildings</b>					
1.					
2.					
Sub-Total					
<b>Construction of civil works</b>					
3.					
4.					
5.					
Sub-Total					
<b>Supply of goods</b>					
6.					
7.					
Sub-Total					
<b>Supply of services</b>					
8.					
Sub-Total					
<b>Grand Total</b>					

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

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

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
Committee Expense		(417,600)		
Compensation of employees		(1,091,780)	5,027	
Use of goods & services		6,387,714	1,944,429	
		<b>4,878,334</b>	<b>1,949,456</b>	
<b>Amounts due to other Government entities</b>				
<b>Primary Schools</b>				
1. Kimilili RC Primary School		5,532,330	4,150,300	
2. Matili RC Primary School	Construction of 8 classrooms	6,602,047		
3. Matili RC Primary School	, Library, Admn Block	2,302,050		
4. Matili FYM Primary School		2,787,130		
5. Suleiman Murunga Primary	Retrofitting of Classrooms	7,304,263	7,000,000	
6. Nakalira Primary School	Construction of 8 classrooms	10,400,456	7,000,000	
7. Kambini CC Primary School	Construction of 12 classrooms and Admn. Block	3,277,995		

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Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
8. Chelekei Primary School	Retrofitting of Classrooms	5,077,777		
9. Kamusinde FYM Primary School	Retrofitting of Classrooms of 14 classrooms	4,683,680	3,200,000	
10. SA Nasianda Primary School	Construction of 8 classrooms	1,577,280		
11. Lutonyi Primary School	Retrofitting of Classrooms	2,400,000		
12. Namasanda Primary School	Construction of 6 classrooms	2,940,312		
13. SA Nasiada Primary School	Construction of 2 classrooms	11,789,400		
14. Bituyu Primary School	Renovation of 16 classrooms	7,401,275	2,000,000	
15. DarajaMungu Primary	Construction of 8 classrooms	9,097,115	2,000,000	
16. Kamasielo FYM Primary	Construction of 8 classrooms	3,250,000	3,250,000	

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Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
17. Kamukuywa AC Primary	Construction of 8 classrooms	11,000,000	11,000,000	
18. Kamusinga AC Primary	Construction of 8 classrooms	7,000,000	7,000,000	
19. Kibunde FYM Primary	Construction of 8 classrooms	5,000,000	5,000,000	
20. Musembe Primary	Construction of 8 classrooms	4,400,000	4,400,000	
21. Namawanga DEB Primary	Construction of 8 classrooms	6,584,700	6,584,700	
22. Sikhendu Primary	Construction of 8 classrooms	4,200,000	4,200,000	
23. Kitayi Primary	Construction of 8 classrooms	164,280	164,280	
24. Khwiroro Primary	Retrofitting of 14 Classrooms, ICT, Library, Admn Block	1,000,000	1,000,000	

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Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
25. Punda Primary	Renovation of 14 classrooms	3,750,000	3,750,000	
26. Kimilili DEB Primary	Construction of 4 classrooms	1,000,000	1,000,000	
27. Sango Baptist Primary	Renovation	6,500,000	6,500,000	
<b>Sub-Total</b>	Construction of 8 classrooms	<b>137,022,090</b>	<b>79,199,280</b>	
<b>Junior Secondary</b>				
Lukhome Baptist Junior Secondary School		2,400,000		
Mwangale DEB Junior Secondary School	Construction of 2 classrooms	2,400,000		
Sivakala RC Junior Secondary School	Construction of 2 classrooms	2,400,000		
Kimingichi Junior Secondary School	Construction of 2 classrooms	2,400,000		
Luvokha SA Junior Secondary School	Construction of 2 classrooms	2,400,000		
St. Johns Miruli Junior Secondary School	Construction of 2 classrooms	600,000		

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2023-2024</b>	<b>Outstanding Balance 2022-223</b>	<b>Comments</b>
Namboani FYM Junior Secondary School	Construction of 2 classrooms	362,833		
Sulwe J.I Junior Secondary School	Construction of 2 classrooms	2,400,000		
Namboani RC Junior Secondary School	Construction of 2 classrooms	2,400,000		
Nashioya Juniou Secondary School	Construction of 2 classrooms	2,400,000		
Kimilili RC Boys Junior Secondary School	Construction of 2 classrooms	2,400,000		
Lutonyi FYM Junior Secondary School	Construction of 2 classrooms	2,400,000		
Chebukwabi FYM Junior Secondary School	Construction of 2 classrooms	600,000		
Namboani FYM Junior Secondary School	Construction of 2 classrooms	362,833		
<b>Sub-Total</b>		<b>25,925,666</b>	<b>-</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>Emergency</b>				
1. Primary Schools		9,000,200	232,109	

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Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
2. Secondary Schools	Bursary To Needy Studens			
3. Tertiary Institutions	Bursary To Needy Studens			
4. Security Projects				
<b>Sub-Total</b>		<b>9,000,200</b>	<b>232,109</b>	
<b>Bursary and Social Security</b>	Bursary To Needy Studens			
1. Primary Schools	Bursary To Needy Studens			
2. Secondary Schools		11,541,722	8,393,950	
3. Tertiary Institutions	Planting Of Fruit Seedlings	12,670,000	3,530,000	
4. Universities	Planting Of Fruit Seedlings			
5. Education Support Programmes	Planting Of Fruit Seedlings			
6. Special Schools	Planting Of Fruit Seedlings	1,200,000		

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2023-2024</b>	<b>Outstanding Balance 2022-223</b>	<b>Comments</b>
7. Social Security NHIF	Planting Of Fruit Seedlings	(103,650)		
<b>Sub-Total</b>	Planting Of Fruit Seedlings	<b>25,308,072</b>	<b>11,923,950</b>	
<b>Environment Projects</b>	Planting Of Fruit Seedlings			
1. Makhonge FYM Primary School	Planting Of Fruit Seedlings	200,000		
2. Sosio RC Primary School	Planting Of Fruit Seedlings	200,000		
3. Kamukuywa FYM primary School	Planting Of Fruit Seedlings	200,000		
4. Sikhendu Primary School	Planting Of Fruit Seedlings	200,000		
5. Kamusinde RC primary School	Planting Of Fruit Seedlings	200,000		
6. Maeni FYM Primary		200,000		
7. Sango Baptist primary School	Bursary To Needy Studens	200,000		

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Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-223	Comments
8. Lwanda SA primary School	Bursary To Needy Students	200,000		
9. Bituyu FYM Primary School		200,000		
10. Siuna SA primary School		200,000		
11. Kimilili FYM Primary School	Bursary To Needy Students	200,000		
12. St. Johns Miruli RC Primary School	Bursary To Needy Students	200,000		
<b>Sub-Total</b>		<b>2,400,000</b>	-	
Acquisition of assets				
Others ( <i>specify</i> ) Kimilili Huduma Center		39,998,779		
<b>Sub-Total</b>		<b>39,998,779</b>	-	
Funds pending approval				
<b>Sub-total</b>				
<b>Grand Total</b>		<b>244,533,141</b>	<b>93,304,795</b>	

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**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2022/2023</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) 2023/2024</b>
Land	2,000,000	-	-	2,000,000
Buildings and structures	15,092,057	-	-	15,092,057
Transport equipment	7,835,145	-	-	7,835,145
Office equipment, furniture and fittings	2,760,398	-	-	2,760,398
ICT Equipment, Software and Other ICT Assets	110,000	-	-	110,000
Other Machinery and Equipment				
Intangible assets				
<b>Total</b>	<b>27,797,600</b>			<b>27,797,600</b>

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**Annex 5 –PMC Bank Balances as at 30<sup>th</sup> June 2024**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>2023-2024</b>	<b>2022-2023</b>
Allan Bradle Kamusinga Primary School	Co-operative	1141470733000	1,467	1,467
Bituyu Primary School	Co-operative	1141687446001	785	785
Chesamisi Boys High School	Co-operative	1141096859500	17,325	17,325
Chesamisi FYM Primary	Co-operative	1141687775100	1,231	1,231
Daraja Mungu Dispensary	Co-operative	1141469517300	428	428
Daraja Mungu AP Camp	Co-operative	1141687216700	1,043	1,043
Daraja Mungu Primary School	Co-operative	1141687810500	1,248	1,248
Kamukuywa FYM Primary	Co-operative	1141470692600		1,233
Kamusinde FYM Primary School	Co-operative	1141050172100	<b>47,565</b>	47,565
Kamusinga AC Primary	Co-operative	1141687504900		3,105
Khwiroro Primary School	Co-operative	1141470689400	1,290	1,290
Kibingei Friends Sec. School	Co-operative	1141470840500	723	723
Kibunde Primary School	Co-operative	1141470535300		2,643
Kikwechi Primary School	Co-operative	1141687371200	861	861
Kimilili Township Chief's Off	Co-operative	1141470522900	<b>705</b>	705
Kimilili Friends Girls Secondary School	Co-operative	1141049767600	39,189	39,189
Kimingichi Primary School	Co-operative	1141050113900	1,030	1,031
Kitayi Primary School	Co-operative	1141050116500	2,216	2,216

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>2023-2024</b>	<b>2022-2023</b>
Lwanda Primary School	Co-operative	1141687850000	1,687	1,687
Maeni Primary School	Co-operative	1141469093400	1,473	1,473
Makhonge Primary School	Co-operative	1141470403300	400	400
Matisi Primary School	Co-operative	1141687917800	1,747	1,747
Lurare Baptist Primary	Co-operative	1141049488700		1,007
Musembe Primary School	Co-operative	1139469235200	886	886
Namakhele ACK Primary School	Co-operative	1141687356700	551	551
Namboani SEC School	Co-operative	1141687728800		2,515
Nasianda SA Mixed Sec School	Co-operative	1141644051500		1,296
Ngoli Primary School	Co-operative	1141470098500	7,394	7,394
Punda Primary School	Co-operative	1141644046100		120
Sango Baptist Primary School	Co-operative	1141470101700	135	136
Siuna Primary School	Co-operative	1141470947900	19,300	19,300
Sikhendu Fym Mixed Day and Boarding Pry Sch	Co-operative	1141469183000		10,118
Suleiman Murunga Primary School	Co-operative	1141470089700	1,382	1,383
St. Brigid's Girls. Sec Kitayi	Co-operative	1141470654600		40
St. Elizabeth SibakaLa Sec. School	Co-operative	1141688025100	332	332
St. Luke's Boys High School	Co-operative	1141469503300		2,988
St. Joseph Buko Sec. School	Co-operative	1141469793100	192	193

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>2023-2024</b>	<b>2022-2023</b>
St. Josephs Kamusinde Sec. School	Co-operative	1141147011800	737	738
Namawanga DEB Primary School	Co-operative	1141687295801	716	
<b>Total</b>			<b>154,037</b>	<b>178,387</b>

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**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)
	<p><b>1. Unsupported Expenditure on other Grants and Transfers</b></p> <p>The statement of receipt and payments reflects other grants and transfers expenditure amount of kshs. 16,930,131 as disclosed in Note 8 to the financial statements, included in this amount are kshs. 500,000 and kshs. 450,000 relating to sports and environment projects respectively, totalling kshs. 950,000. However, supporting payment vouchers and payment documents were not provided for audit.</p> <p>In the circumstances, the accuracy and regularity of pther grants and transfers amounting to kshs. 950,000 could not be confirmed.</p>	<p><b>Documents have Since been availed for verification.</b></p>	<p><b>Not Resolved</b></p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><b>2. Unsupported Acquisition of Land for Punda Primary School.</b>            The statement of receipts and payments reflects an amount of Kshs. 44,385,720 in respect of transfers to other Government units as disclosed in Note 7 to the financial statements, the amount includes of Kshs. 42,385,720 being transfers to primary schools, out of which an amount of Kshs. 1,250,000 was disbursed to Punda primary school for purchase of one and a quarter acre piece of land. However, valuation report, search report and title deed for the land were not provided for audit.            In the circumstance, accuracy, ownership and regularity of the expenditure of Kshs. 1,250,000 on acquisition of land for Punda primary School could not be confirmed.</p>	<p>Documents have Since been availed for verification.</p>	<p>Not Resolved</p>	
	<p><b>3. Unsupported Project management committee Balances</b>            Note 19.4 and Annex 5 to the financial statements reflects project management Committee (PMC) bank balance totalling Kshs. 178,348. However, cash books bank reconciliation statements and</p>	<p>Documents have Since been availed for verification.</p>	<p>Not Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	certificate of bank balances for individual PMC accounts were not provided for audit. In the circumstance, the accuracy and completeness of the PMC bank balances of Kshs. 178,348 could not be confirmed.			
	<p><b>4.Unsupported Bursary Disbursements</b> The statement of receipt and payments reflects other grants and transfers amount of Kshs. 16,930,131 and as disclosed in Note 8 to the financial statements includes bursary payments amounting to Kshs.4, 106,050 and Kshs. 4,470,000 disbursed to secondary schools and tertiary institutions were provided for audit. In the circumstance, the accuracy and completeness of bursary disbursements totalling Kshs. 8,576,050 could not be confirmed.</p>	Documents have Since been availed for verification.	Not Resolved	
	<p><b>Budgetary Control and Performance</b> The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs. 163,899,632 and Kshs.70, 550,000 respectively, resulting to under-funding of Kshs.93,349,632 or 57% of the budget. However, the fund spent amount of Kshs. 70,594,837 against actual receipts of Kshs.</p>	Documents have Since been availed for verification.	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>70,550,000 resulting to over-utilization of Kshs. 44,837.</p> <p>The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.</p> <p><b>Other matters</b></p>			
	<p><b>Unresolved Prior Year Audit Matters</b></p> <p><b>1. Irregular Re-Allocation of Project Funds</b></p> <p>The statement of receipt and payment as disclosed in note 7 to the financial statements reflects an amount of Kshs.44, 385,720 in respect of transfers to other government units. The amount includes Kshs. 42,385,720 transferred to primary schools to implement sixteen (16) projects by respective Project Management committees (PMC). However, the funded projects were not among those approved in the projects code list. This was contrary to section 6(2) of the national Constituency development fund Act 2015 which states that once funds are allocated for a particular project, they shall remain allocated for the project and may only be re-</p>	<p>The Projects approved code list and implementation status is available for verification</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>allocated for any other purpose during the financial year with the approval of the board.</p> <p>In the circumstances, management was in breach of the law.</p>			
	<p><b>2.Failure to Provide an Updated project Implementation Status report</b></p> <p>During the audit, Management did not provide an updated project implementation status report indicating the projects approved for implementation during the year and the budget allocated for the projects. The report provided during the audit and did not include the projects planned for implementation during the year under review. This was contrary to section 27(3) of the National government Constituencies Development Fund Act 2015 which requires a Constituency committee to submit a list of proposed constituency – based projects to the board for approval.</p> <p>In the circumstance, management was in breach of the Law.</p>	<p>The Projects approved code and implementation status is available for verification</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p><b>3. Unsatisfactory Projects Implementation</b></p> <p>The Statements of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs. 44,385,720 in respect of transfers to other government units. The amount includes Kshs. 42,385,720 transferred to primary schools for various projects. However, projects inspection carried out in March 2024 revealed that the construction of 4 classrooms at Nasianda primary school at a contract sum of Kshs. 3,800,000 was not supported by project file and tender evaluation reports.</p> <p>Further, the project for construction of eight (8) classrooms at Kamasielo Primary school for a contract sum of Kshs. 2,000,000 revealed that the project had stalled and the contractor had abandoned site. The project completion dates were not indicated in the contract agreement. In addition, the project for construction of 8 classrooms at Bituyu Primary School at a contract sum of Kshs. 5,000,000 had stalled and contractor had abandoned site. The contract period expired in 2022.</p>	<p><b>The Projects approved code and implementation status is available for verification</b></p>	<p>Not resolved</p>	

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

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)
	In the circumstances, value for money incurred on the construction of classrooms amounting to Kshs. 10,800,000 could not be confirmed.			
	<p><b>4. Irregular Project Implementation by Constituency Committee</b></p> <p>Project records provided for audit revealed that sixteen (16) projects were being implemented directly by the Constituency Committee instead of the respective individual project Management committees. This was contrary to regulation 15(6) of the National Government Constituent Development Fund regulation, 2016 which provides that Constituency committee shall not convert itself into a Project management committee.</p>	<p>The Projects approved code and implementation status is available for verification</p>	<p>Not resolved</p>	
	<p><b>5. Failure to Remit Statutory Deductions to National social security fund.</b></p> <p>The Statement of receipts and payments as disclosed in Note 4 to the financial statements reflects an amount of Kshs.2, 694,973 in respect of compensation of employees. The amount includes Kshs. 122,088 relating to National social security fund (NSSF) deductions from salaries of staff during the year under review. However, the</p>	<p>The Deductions have since been remitted. This was due to delayed funding.</p>	<p>Not Resolved</p>	

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>deductions were not remitted to NSSF. This was contrary to Regulation 6 of the National social security Fund (Member Contribution) regulations 2014 which states that an employer shall pay contributions to Pension fund in respect of each employee in his or her employment.</p> <p>In the circumstance, management was in breach of the Law.</p>			



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**Thomas M. Ontweka**  
**Fund Account Manager.**

