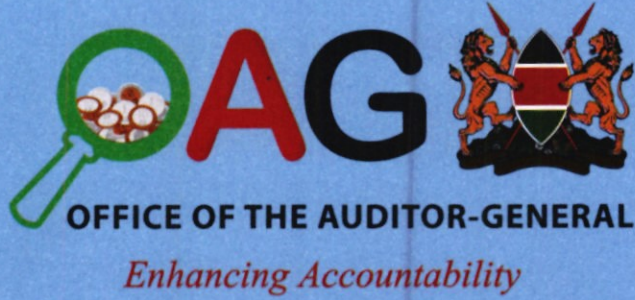


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

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

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



THE NATIONAL ASSEMBLY PAPERS LAID	
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MOLO CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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



RECEIVED
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 OFFICE OF THE AUDITOR GENERAL
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Molo Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS- International Public Sector Accounting Standards

PMC- Project management committee

FY-Financial Year

NGCDFB- National Government Constituencies Development Fund Board

NGCDFC - National Government Constituency Development Fund Committee

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	MOHAMED HASSAN
2.	Sub-County Accountant	KARANJA SIMON
3.	Chairman NGCDFC	JANE GACHATHI
4.	Member NGCDFC	DORCAS WANGUI

(c) Fiduciary Oversight Arrangements

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

(d) Molo Constituency NGCDF Headquarters

P.O. Box 37-20106
NG-CDF BUILDING
Molo Dcc's Compound
MOLO, KENYA

(e) Molo Constituency NGCDF Contacts

Telephone: (254) 59312491
E-mail: cdfmolo@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) Molo Constituency NGCDF Bankers

Equity Bank
Molo Branch
P.o Box 927-20106
Molo.

A/c No 0230262025900

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



MRS. JANE GACHATHI
CHAIR. MOLO NG-CDF

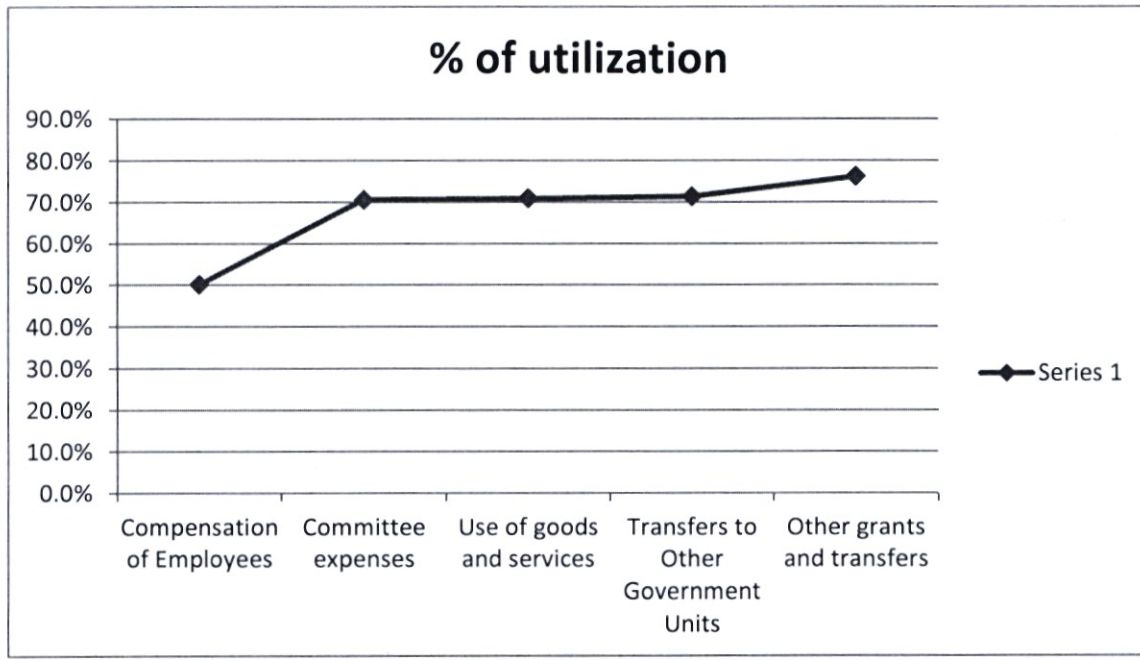
In the financial year 2022/2023, Molo constituency had an allocation of kshs 138,215,033 from the board. In addition to this was money amounting to Kshs 12,088,879 received under the current year but was for the financial year 2019/2022 and an opening balance of Kshs 18,353,127.

The financial year final receipt budget for the current year under review stood at kshs 168,657,039 against an actual receipt of Kshs 127,442,006. The actual receipt is composed of monies received from the board and the opening balance for the year under review. This means the constituency received up to 75.6% of its allocation for the year. Monies not received amounted to less than 25.4% for the year financial year 2022/2023.

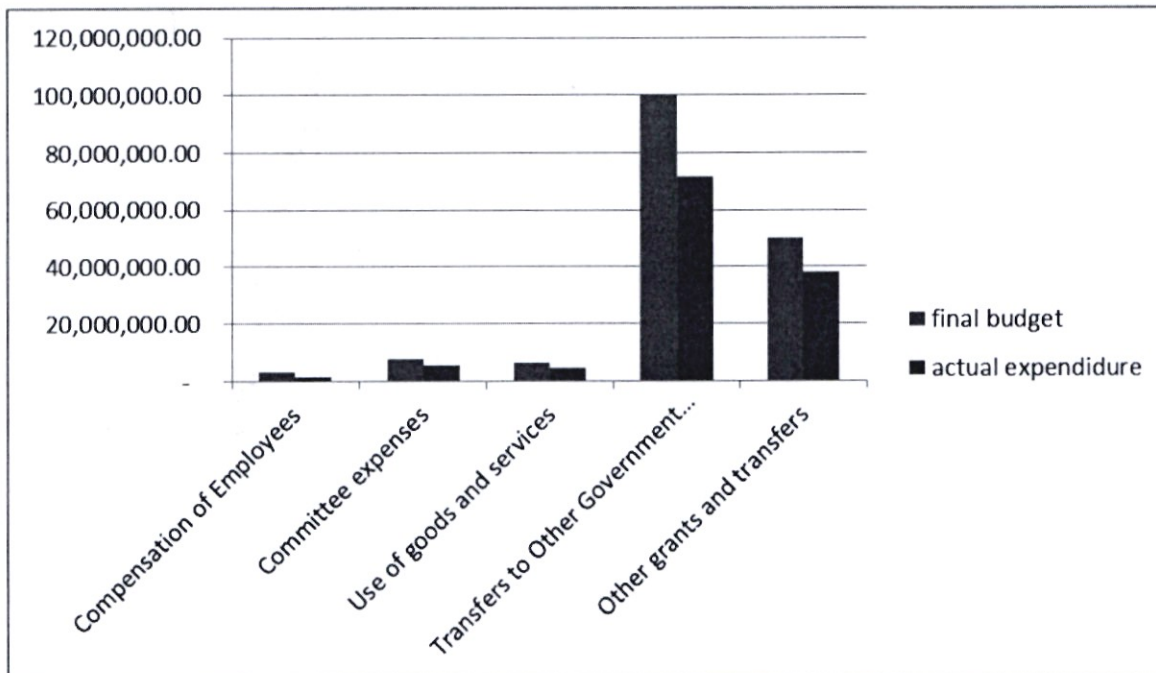
On the expenditure, the constituency utilized 71.9% of all funds received for the year amounting to kshs 121,289,837. This shows good rate of absorption.

The chart below analysis the absorption rate per sector for molo constituency for the financial year 2022/2023

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Also by comparing the actual receipt (final budget) and the actual utilization (expenditure) of molo constituency for the financial year 2022/2023, we get a bar chart as follows.



The constituency has made great achievement in implementing most of its current year budget. Among the monies that benefited the constituents most included funds for projects for various institutions and funds for bursary. More than ten thousand students benefited from our bursary programs across the constituency.

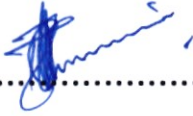
The committee of molo constituency also implemented many projects across all wards of Molo constituency in the year under review. Below are examples of photos of projects implemented in the financial year 2022/2023



The above picture illustrates the just concluded renovation works at Marioshoni primary school at Marioshoni ward in Molo constituency.

On the same note, the picture below shows renovation works at Mwangi michuki primary school. The school, being one of the oldest schools in Molo constituency, received a facelift renovation works in the year under review.

transformed lives before our eyes. I believe we have achieved so many and we will continue to achieve much more in the subsequent years.



.....
NAME: MRS JANE GACHATHI
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/2023

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 *Molo Constituency 2022-2027* plan are to:

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:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Developed all of infrastructure in secondary and primary schools across the constituency	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 22/23 -we increased number of classrooms to 25 for primary schools and 14 to secondary school classrooms. We also did 5 dormitories for secondary schools. The committee also received and processed applications related to bursaries for needy students to the tune of more than 35m
Security	Equip, facilitate and enhance capacity of provincial administration and	Develop and enhance provincial administration and other	Number of usable physical infrastructure built in locations, sub locations and	Number chiefs’ offices increased by 4 in this current year

	other security organs in order to improve security and service delivery	security organs infrastructure to enhance service delivery	police stations	Number of police lines increased by 2 in this financial year
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Supply tanks to schools for water storage	Number of water tanks supplied and installed in varies institutions	Supplied water tanks to at least 4 institutions which helped them store water in those institutions
Sports	Empower and develop youth and special groups.	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting increased from 33 to 40 teams

V. Statement of Governance

The process of appointment of members of the committee

The members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee.

A vacancy shall occur in Constituency Committee upon— commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel. The selection panel shall consist of— one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel; the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and two persons, one of either gender, nominated by the Constituency office.

The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board. The selection panel shall, within fourteen days of receiving the applications, consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act (7) .The officer of the Board seconded to the Constituency shall within seven days of the selection process submit to the Board the names of the selected candidates together with the report of the selection panel.

The Board shall co-opt the person referred to in section 43(2) (g) of the Act to ensure equitable representation in the membership of a Constituency Committee. The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency. The Board shall submit the names of the seven persons selected from each Constituency in accordance with section 43(2)(b),(c),(d) and (e) of the Act to the National Assembly for approval. The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette

The process of removal of a committee member

Removal of a member in accordance with section 43 (13) and (14) of the Act upon receipt of a complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complaint shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with the Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting.

If at a meeting held, members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued. The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response, elect to be heard orally, and a Constituency Committee may hear such a member.

The member against whom a complaint is made may call witnesses. If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter.

A Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing. If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available.

A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision.

The communication to the Board shall include duly executed proceedings, together with all the supporting documents. The Board shall, within thirty days after receipt of the communication, consider the matter and issue a final declaration which shall be binding on all parties.

A member against whom a complaint is made shall not, participate in the deliberations and activities of a Constituency Committee from the time the Constituency Committee starts considering the complaint. If a member against whom a complaint is made responds to the allegations to the satisfaction of a Constituency Committee and the committee makes a determination in favour of such member, the member shall resume duties as a member of the Committee.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively. A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be heard. A Chairperson or secretary who is removed shall continue to discharge duties as a member of the Constituency Committee.

At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

Roles and functions of the committee members

The functions of a Constituency Committee include among others: -

1. Constituency build the capacity of project management committees and Committee.
2. Sensitize the Community on the operations of the Fund;
3. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
4. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;

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5. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans; in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
6. Consult with relevant government departments to ensure that cost estimates for projects are realistic; etc

Induction, training of members

The law requires that members of the committee, project management committee and the Ng-cdf staffs need to be trained for proper capacity building exercise.

In line with the requirement of law, Molo Ng-cdf committees were properly trained for the financial year under review.

Members remunerations

National government constituency development fund committees are remunerated based on the rates given in the circular of the board on the number of meetings they attend. The committee need to hold a maximum of twenty four meeting in a year.

Conflict of interest, ethics and conduct

A public officer shall not make a decision or participate in making a decision relating to the exercise of a duty or function if the public officer knows or reasonably should know that, in making of the decision, the officer would be in conflict of interest.

A public officer should conduct him/herself in an ethical way that respects the office in which he/she represent

Risk management

Molo ng-cdf has an elaborate risk management system called Risk management system. This helps the committee to track possible risks in the constituency in the management of the project implementation.

This helps the committee to track risks before they actually happen in the constituency.

VI. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

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

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

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

2. Environmental performance

The Molo Ng-cdf has embarked to improve the environment through provision of clean water and planting enough trees in various institutions. Protection of the environment in which we live and operate is part of Molo NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

3. Employee welfare

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

Molo 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-

Molo 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.

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



.....
Mohamed Hassan Abdi
Fund Account Manager.

VII. Statement Of Management Responsibilities

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

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

The Accounting Officer in charge of the NGCDF-Molo Constituency accepts responsibility for the constituency 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 *Molo'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- Molo Constituency further confirms the completeness of the accounting records maintained for Molo constituency, which have been relied upon in the preparation of the Molo's financial statements as well as the adequacy of the systems of internal financial control.

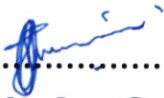
The Accounting Officer in charge of the NGCDF Molo Constituency confirms that Molo has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Molo's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting

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Officer confirms that Molo'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- MOLO Constituency financial statements were approved and signed by the Accounting Officer on 12th September 2023.



.....
Name: Mrs. Jane Gachathi
Chairman – NGCDF Committee



.....
Name: Mr. Mohamed Hassan
Fund Account Manager

REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Molo Constituency set out on pages 1 to 44, which comprise of the statement of financial assets and liabilities as at 30 June, 2023 and the

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

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

Basis for Qualified Opinion

1. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers balance of Kshs.38,284,500 which as disclosed in Note 8 to the financial statements, include amounts of Kshs.19,728,500 and Kshs.13,306,000 totalling Kshs.33,034,500 in respect of bursaries to secondary schools and tertiary institutions respectively. However, the bursaries were not supported by evidence of acknowledgement receipts from the beneficiary schools and tertiary institutions.

Further, bursaries to secondary schools expenditure amounting to Kshs.19,728,500 exceeded the approved budget amount of Kshs.15,000,000 resulting in an unauthorized over-expenditure of Kshs.4,728,500.

In the circumstances, the accuracy, completeness and regularity of bursaries amounting to Kshs.33,034,500 could not be confirmed.

2. Unsupported Project Management Committees Bank Balances

Note 18.4 and Annex 5 to the financial statements reflects Project Management Committees (PMC) accounts balance of Kshs.16,879,231. However, cash books and bank reconciliation statements in support of the individual PMC accounts balances were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balances of Kshs.16,879,231 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Molo 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 budget and actual on comparable basis amounting to Kshs.168,657,039 and Kshs.127,442,006 respectively resulting to under-funding of Kshs.41,215,033 or 24% of the budget. However, the Fund spent an amount of Kshs.121,289,837 against actual receipts of Kshs.127,442,006 resulting to an under-utilization of Kshs.6,152,169 or 5% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues or provided explanation for failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Projects Implementation Status

Review of the project implementation status report indicated four (4) projects with total funding amounting to Kshs.4,600,000 had not started. Although funds for the projects had

been remitted to the respective PMC bank accounts, Management did not explain the reasons for non-implementation of the projects.

In the circumstances, non-implementation of the projects denied the public the benefits that would have accrued from them.

2. Projects Verification

Audit inspection of various projects conducted in March, 2024 revealed the following anomalies;

2.1 Unsatisfactory Construction Works at Mwangi Michuki Secondary School

The above School was funded for the construction of an administration block and a 45 student's capacity science laboratory at a cost of Kshs.4,677,027. Physical inspection of the project indicated that the administration block was 100% complete, with poor finishes on the floor, walls and leaking roof which had stained the ceiling, yet the Public Works Officer had certified the works.

Further, the science laboratory was incomplete with major work on water plumbing, gas piping, fume chambers and shelves not completed.

2.2 Unsatisfactory Construction of Multi-Purpose Hall at Elburgon D.E.B Secondary School

The construction of multi-purpose hall project had a funding of Kshs.17,000,000. The project structure and roof were complete with internal and external finishing incomplete. Further, the contractor was not on-site raising concern on project completion timeliness.

2.3 Unsatisfactory Construction of Perimeter Wall with a Gate at Maiashoni Secondary School

The Maiashoni Secondary School project was for construction of perimeter wall with a gate at a cost of Kshs.2,800,000 and was not included in the Project Implementation Status report. Physical inspection of the project revealed that the long sides of the upper wall had missing keys finishing and column plasters. Further, the contractor was not on-site raising concerns on project completion.

In the circumstances, value for money on the expenditure of Kshs.24,477,027 spent on the projects could not be confirmed.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

14 June, 2024

Molo Constituency

National Government Constituencies Development Fund (NGCDF)

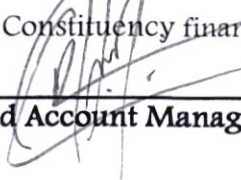
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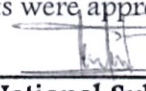
IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	109,088,879	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		109,088,879	170,088,879
PAYMENTS			
Compensation of employees	4	1,542,793	1,385,244
Committee expenses	5	5,437,000	5,985,400
Use of goods and services	6	4,486,917	5,407,325
Transfers to Other Government Units	7	71,538,627	97,200,000
Other grants and transfers	8	38,284,500	62,936,828
Acquisition of Assets	9	-	1,375,000
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
TOTAL PAYMENTS		121,289,837	174,289,797
SURPLUS/DEFICIT		(12,200,958)	(4,200,918)

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 12th Sep 2023 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: MOHAMED HASSAN

Name: SIMON KARANJA
ICPAK M/No: 17834

Name: JANE GACHATHI

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


	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	6,152,169	18,353,127
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		6,152,169	18,353,127
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		6,152,169	18,353,127
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL SSETS		6,152,169	18,353,127
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	18,353,127	22,554,045
Prior year adjustments	16	-	-
Surplus/Defict for the year		(12,200,958)	(4,200,918)
NET FINANCIAL POSITION		6,152,169	18,353,127

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 12th Sep 2023 and signed by:


Fund Account Manager

Name: MOHAMED HASSAN


National Sub-County
Accountant

Name: SIMON KARANJA
ICPAK M/No: 17834


Chairman NG-CDF
Committee

Name: JANE GACHATHI

*Molo Constituency
National Government Constituencies Development Fund (NGCDF)
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XII.Statement Of Cash Flows for The Year Ended 30th June 2023

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	109,088,879	170,088,879
Other Receipts	3	-	-
		109,088,879	170,088,879
Payments for operating activities			
Compensation of Employees	4	1,542,793	1,385,244
Committee expenses	5	5,437,000	5,985,400
Use of goods and services	6	4,486,917	5,407,325
Transfers to Other Government Units	7	71,538,627	97,200,000
Other grants and transfers	8	38,284,500	62,936,828
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
		121,289,837	172,914,797
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(12,200,958)	(2,825,918)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(1,375,000)
Net cash flows from Investing Activities		-	(1,375,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(12,200,958)	(4,200,918)
Cash and cash equivalent at BEGINNING of the year	12	18,353,127	22,554,045
Cash and cash equivalent at END of the year		6,152,169	18,353,127

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 12TH Sep 2023 and signed by:


Fund Account Manager

Name: MOHAMED HASSAN


National Sub-County Accountant

Name: SIMON KARANJA
ICPAK M/No: 17834


Chairman NG-CDF Committee

Name: JANE GACHATHI

Molo Constituency
National Government Constituencies Development Fund (NGCDF)
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XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	138,215,033	18,353,127	12,088,879	168,657,039	127,442,006	41,215,033	75.6%
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts				-	-	-	
TOTAL RECEIPTS	138,215,033	18,353,127	12,088,879	168,657,039	127,442,006	41,215,033	75.6%
PAYMENTS							
Compensation of Employees	2,457,750	630,118		3,087,868	1,542,793	1,545,075	50.0%
Committee expenses	5,104,000	1,149,697	1,450,192	7,703,890	5,437,000	2,266,890	70.6%
Use of goods and services	4,012,537	2,231,104	84,646	6,328,287	4,486,917	1,841,370	70.9%
Transfers to Other Government Units	79,111,600	11,700,000	9,427,027	100,238,627	71,538,627	28,700,000	71.4%
Other grants and transfers	46,447,986	2,642,207	1,127,014	50,217,207	38,284,500	11,932,707	76.2%
Acquisition of Assets				-	-	-	
Oversight Committee Expenses	1,081,160			1,081,160	-	1,081,160	0.0%
Other Payments	-			-	-	-	
TOTAL	138,215,033	18,353,127	12,088,879	168,657,039	121,289,837	47,367,202	71.9%

Explanatory Notes.

(a) The revenue items are monies received from the board only and they don't include any AIA generated by the board.

(b) The level of utilization of the constituency stands at 71.9% for the current year under review. In compensation to employees, the rate of utilization stood at 50% because of delayed disbursement of funds from the board. The constituency was short of ksh 1,545,075 as at the

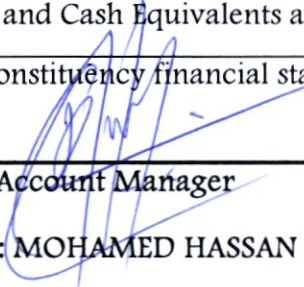
*Molo Constituency
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end year. Use of good and services were 79.9% due to inadequate receipt of ksh 1,841,370 as at the close of the financial year. Transfer to other government and other grants and transfers were 71.4% and 76.2% respectively. This is as a result of delayed disbursement of funds to the constituency. The constituency did not receive up to kshs 41,215,033 as at the close of the financial year resulting in the rate of utilization observed above.

The difference between the final budget of ksh 138,215,033 and the final budget of ksh 168,657,039 is as a result of monies from previous years of a amount kshs 12,088,879 received in the current year and funds of ksh 18,353,127 that served as the opening balance for the year under review

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	47,367,202
Less undisbursed funds receivable from the Board as at 30th June 2023	41,215,033
	6,152,169
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2022/2023	6,152,169

The Constituency financial statements were approved by NG CDFC on 12th Sep 2023 and signed by:


Fund Account Manager

Name: MOHAMED HASSAN


National Sub-County Accountant

Name: SIMON KARANJA
ICPAK M/No: 17834


Chairman NG-CDF Committee

Name: JANE GACHATHI

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,457,750	630,118		3,087,868	1,542,793	1,545,075	50
1.2 Committee allowances	2,168,000	1,145,697	1,450,192	4,763,890	2,689,000	2,074,890	56
1.3 Use of goods and services	3,002,537	857,993		3,860,530	2,829,167	1,031,363	73
Total	7,628,287	2,633,809	1,450,192	11,712,288	7,060,960	4,651,328	60
2.0 Monitoring and evaluation						-	
2.1 Capacity building	2,000,000	4,000		2,004,000	1,968,000	36,000	98
2.2 Committee allowances	936,000			936,000	780,000	156,000	83
2.3 Use of goods and services	1,010,000	1,373,111	84,646	2,467,757	1,657,750	810,007	67
Total	3,946,000	1,377,111	84,646	5,407,757	4,405,750	1,002,007	81
3.0 Emergency	7,636,190	192,207	102,895	7,931,292	2,000,000	5,931,292	25
3.1 Primary Schools				-		-	
Timoo primary school					2,000,000	(2,000,000)	
3.2 Secondary schools				-		-	
3.3 Tertiary institutions				-		-	

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
3.4 Security projects			-	-		-	
3.5 Unutilised				-		-	
Total	7,636,190	192,207	102,895	7,931,292	2,000,000	5,931,292	25
4.0 Bursary and Social Security				-			
4.1 Secondary Schools	15,000,000			15,000,000	19,728,500	(4,728,500)	132
4.2 Tertiary Institutions	19,000,000		224,119	19,224,119	13,306,000	5,918,119	69
4.3 Social Security				-		-	
4.4 Special Needs				-	-		
Total	34,000,000	-	224,119	34,224,119	33,034,500	1,189,619	97
5.0 Sports				-		-	
5.1	1,461,795			1,461,795		1,461,795	-
Total	1,461,795			1,461,795		1,461,795	-
6.0 Environment							
Molo ngcdf environment				-	450,000	(450,000)	
Mukinyai primary school			500,000	500,000	500,000	-	100
Molo ngcdf environment				-	300,000	(300,000)	
Mwangi michuki primary school		150,000		150,000		150,000	-
Green park primary school		150,000		150,000		150,000	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
St. James primary school		150,000		150,000		150,000	-
St. Peters girls day primary school			150,000	150,000		150,000	-
Elburgon anti-stock theft			150,000	150,000		150,000	-
Total	-	450,000	800,000	1,250,000	1,250,000	-	100
7.0 Primary Schools Projects							
Michatha primary school	3,900,000			3,900,000		3,900,000	
New creation primary school	3,900,000		1,000,000	4,900,000		4,900,000	
Sokoro primary school	2,600,000			2,600,000		2,600,000	
Mwangi michuki primary school	4,000,000			4,000,000		4,000,000	
Mukinyai primary School	4,000,000			4,000,000		4,000,000	
Sachangwan primary school	2,600,000			2,600,000		2,600,000	
St. Mary's mixed primary school	12,000,000			12,000,000		12,000,000	
Sakaitim primary school	2,600,000			2,600,000		2,600,000	
Orthodox primary school	2,600,000			2,600,000		2,600,000	
Kirantich primary school	2,600,000			2,600,000		2,600,000	
Marioshoni Primary school	3,200,000			3,200,000		3,200,000	
Turi Sulgwita primary School	4,800,000			4,800,000		4,800,000	
Kivulini primary school	2,600,000			2,600,000		2,600,000	

Molo Constituency
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
St. Stephen primary school	1,300,000			1,300,000		1,300,000	
Green Park primary School	600,000			600,000		600,000	
Mutate primary School	1,300,000			1,300,000		1,300,000	
Mwangi michuki primary school	800,000			800,000		800,000	
Greenpark primary school		2,400,000		2,400,000	2,400,000	-	
St. Marys mixed primary school				-	5,000,000	(5,000,000)	
Sachangwan primary school				-	1,000,000	(1,000,000)	
Mukinyai primary school				-	4,000,000	(4,000,000)	
Mwangi michuki primary school				-	4,000,000	(4,000,000)	
New creation primary school				-	1,000,000	(1,000,000)	
Greenpark primary school				-	600,000	(600,000)	
Mwangi michuki primary school				-	800,000	(800,000)	
Sachangwan primary school				-	1,600,000	(1,600,000)	
Mutate primary school				-	1,300,000	(1,300,000)	
Mariashoni primary school				-	3,200,000	(3,200,000)	
New creation primary school				-	3,900,000	(3,900,000)	
Michatha primary school				-	3,900,000	(3,900,000)	
Sokoro primary school				-	2,600,000	(2,600,000)	
				-		-	

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
8.0 secondary schools projects						-	
Elburgon d.e.b secondary school	14,000,000			14,000,000		14,000,000	-
Tayari secondary school	2,600,000			2,600,000		2,600,000	-
St. James secondary school	1,711,600			1,711,600		1,711,600	-
Mariashoni Secondary school	2,800,000			2,800,000		2,800,000	
Michinda secondary school		1,500,000		1,500,000	1,500,000	-	100
Mukinyai secondary school		2,600,000		2,600,000	2,600,000	-	100
Michatha secondary school		2,600,000		2,600,000	2,600,000	-	100
Arimi secondary school		2,600,000		2,600,000	2,600,000	-	100
Mwangi michuki secondary school			4,677,027	4,677,027	4,677,027	-	100
Elburgon secondary school			3,750,000	3,750,000	3,750,000	-	100
St. James secondary school				-	1,711,600	(1,711,600)	
Mariashoni secondary school				-	2,800,000	(2,800,000)	
Elburgon d.e.b Secondary School				-	14,000,000	(14,000,000)	
				-		-	
				-		-	
Total	21,111,600	9,300,000	8,427,027	38,838,627	36,238,627	2,600,000	93
9.0 Tertiary institutions Projects						-	

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
						-	
Total	-		-	-	-	-	
10.0 Security Projects						-	
Elburgon acc	1,200,000			1,200,000		1,200,000	
Mukinyai chief's office	150,000			150,000		150,000	
Mariashoni chiefs office		1,000,000		1,000,000	1,000,000	-	100
Mona chiefs office		1,000,000		1,000,000	1,000,000	-	100
				-		-	
				-		-	
				-		-	
Total	1,350,000	2,000,000	-	3,350,000	2,000,000	1,350,000	60
11.0 Acquisition of assets						-	
	-					-	
	-		-	-	-	-	
	-		-	-	-	-	
	-		-	-	-	-	
Total	-		-	-		-	
12.0 Oversight Committee Expenses (itemize)						-	

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
12.0 Oversight Committee Expenses (itemize)				-		-	
Allowances for the members	80,000			80,000	-	80,000	
Advertising awareness and publicity campaign	480,000			480,000	-	480,000	
Refined fuels and lubricants for transport	40,000			40,000	-	40,000	
Publishing and printing services	481,160			481,160	-	481,160	
				-	-	-	
Total	1,081,160		-	1,081,160		1,081,160	
13.0 Other payments				-		-	
strategic plan	2,000,000			2,000,000	-	2,000,000	
						-	
				-			
Total	2,000,000	-	-	2,000,000	-	2,000,000	-
14.0 unallocated fund							
Unapproved projects-Molo highway secondary school	2,600,000			2,600,000		2,600,000	-
AIA						-	
PMC savings							

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
Total	2,600,000		-	2,600,000	-	2,600,000	-
	138,215,032	18,353,127	12,088,879	168,657,038	121,289,837	47,367,201	72

XIV. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

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Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE NO. B 105218		33,000,000
AIE NO. B 105516		44,000,000
AIE NO. B 105876		22,000,000
AIE NO. B 154439		12,000,000
AIE NO. B 128629		5,000,000
AIE NO. B 128943		12,000,000
AIE NO. B 164370		18,000,000
AIE NO. B 155897		24,088,879
AIE NO. B 185185	7,000,000	
AIE NO. B 185392	7,000,000	
AIE NO. B 185721	14,000,000	
AIE NO. B 206037	5,000,000	
AIE NO. B 206486	12,000,000	
AIE NO. B 205830	12,000,000	
AIE NO. B 205507	12,088,879	
AIE NO. B 207591	20,000,000	
AIE NO. B 207957	20,000,000	
TOTAL	109,088,879	170,088,879

2. Proceeds from Sale of Assets

Description	2022-2023	2021-2022
	Kshs	Kshs
Receipts from the Sale of Buildings		-
Receipts from the Sale of Vehicles and Transport Equipment		-
Receipts from the Sale Plant Machinery and Equipment		-
Receipts from the Sale of Office and General Equipment		-
TOTAL	-	-

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3. Other Receipts

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs		-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	-	-

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Notes To the Financial Statements (Continued)

4. Compensation of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,355,789	1,215,172
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	143,764	-
Employer Contributions Compulsory national social security schemes	43,240	170,072
TOTAL	1,542,793	1,385,244

5. Committee Expenses

5. Committee Expenses	Kshs	Kshs
Sitting allowance	2,068,000	3,368,400
Other committee expenses	3,369,000	2,617,000
TOTAL	5,437,000	5,985,400

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	88,113	50,143
Communication, supplies and services	678,654	335,657
Domestic travel and subsistence	140,300	11,500
Printing, advertising and information supplies & services	-	50,000
Rentals of produced assets	-	-
Training expenses	1,361,000	1,924,800
Hospitality supplies and services	-	460,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,250,000	1,700,000
Fuel , oil & lubricants	500,000	620,000
Other operating expenses	164,000	0
Bank Charges	23,500	-
Security operations	-	0
Routine maintenance - vehicles and other transport equipment	214,000	255,225
Routine maintenance- other assets	67,350	-
TOTAL	4,486,917	5,407,325

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	35,300,000	49,100,000
Transfers to Secondary Schools	36,238,627	37,100,000
Transfers to Tertiary Institutions	-	11,000,000
TOTAL	71,538,627	97,200,000

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	19,728,500	22,945,800
Bursary -Tertiary (see attached list)	13,306,000	21,396,320
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	2,000,000	3,600,000
Sports Projects (see attached list)	-	3,144,708
Environment Projects (see attached list)	1,250,000	150,000
Emergency Projects (see attached list)	2,000,000	11,700,000
Roads Projects	-	-
TOTAL	38,284,500	62,936,828

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

Non Financial Assets	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	625,000
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	750,000
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
TOTAL	-	1,375,000

10. Oversight Committee Expenses

	2022-2023	2021-2022
10 Oversight Committee Expenses	Kshs	Kshs
COC Members allowance	-	-
Other COC expenses	-	-
TOTAL	-	-

11. Other Payments

11 Other Payments	Kshs	Kshs
Strategic Plan	-	-
ICT Hubs	-	-
TOTAL	-	-

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12. Cash Book and Bank Balance

12A: Bank Balances (cash book bank balance)		
Name of Bank, Account No. & currency	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
<i>Equity Bank Molo A/C No. 0230262025900</i>	6,152,169	18,353,127
Kenya Commercial Bank,A/C no. Branch . (deposit account)	-	-
	-	-
TOTAL	6,152,169	18,353,127
12B: CASH IN HAND)		
	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

13. Outstanding Imprests

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>
	Date imprest taken	Kshs	Kshs
			-
		-	-
		-	-
		-	-
		-	-
		-	-
TOTAL		-	-

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

14 B. Gratuity

	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	18,353,127	22,554,045
Cash in hand		
Imprest		
TOTAL	18,353,127	22,554,045

16. Prior Year Adjustments

	Balance b/f FY 2021/2022 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2020/2021
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	-		-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
Total	-	-	-

17. Changes in Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	-	-
Net changes in accounts receivables D-A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	Kshs	Kshs
Deposits and Retention as at 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)		

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	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
TOTAL	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDF Staff	-	-
Others (specify)	-	-
	-	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	1,545,075	684,217
Use of goods and services	4,108,260	4,846,349
Amounts due to other Government entities (see attached list)	26,100,000	20,127,027
Amounts due to other grants and other transfers (see attached list)	9,932,707	4,784,412
Acquisition of assets		
Oversight Committee Expenses	1,081,160	
Others (Strategic Plan)	2,000,000	-
Funds pending approval	2,600,000	
Total	47,367,202	30,442,005.00

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19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	16,879,231	41,880,186

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount		Date Contracted	Amount Paid To-Date
	a		b	c
Construction of buildings				
1.				
2.				
3.				
Sub-Total				
Construction of civil works				
4.				
5.				
6.				
Sub-Total				
Supply of goods				
7.				
8.				
9.				
Sub-Total				
Supply of services				
10.				
11.				
Sub-Total				
Grand Total				

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	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	Outstanding Balance
		2022-2023	2021-2022
Compensation of employees		1,545,075	684,217
Use of goods & services		1,841,370	4,846,349
committee expenses		2,266,890	0
TOTAL		5,653,335	5,530,566
Amounts due to other Government entities			
PRIMARY SCHOOLS			
kivulini primary school	construction of two classrooms to completion	2,600,000	
st. marry's mixed primary school	renovation of 32 number classrooms	7,000,000	
orthodox primary school	construction of two classrooms to completion	2,600,000	
sakaitim primary school	construction of two classrooms to completion	2,600,000	
st. stephen primary school	construction of one classrooms to completion	1,300,000	
kirantich primary school	construction of two classrooms to completion	2,600,000	
turi sulgwita primary school	renovation of 12 number classrooms	4,800,000	
tayari secondary school	construction of two classrooms to completion	2,600,000	

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1.green park primary school	construction of administration block for the school		2,400,000
TOTAL			2,400,000
SECONDARY SCHOOLS			
1. mukinyai secondary school	construction of a single laboratory		2,600,000
2. michatha secondary school	construction of a single laboratory		2,600,000
3. arimi secondary school	construction of a single laboratory		2,600,000
4. mwangi michuki secondary school			4,677,027
5. elburgon secondary school			3,750,000
4. michinda secondary school	renovation of the school kitchen		1,500,000
	Sub-Total	26,100,000	17,727,027
Amounts due to other grants and other transfers			
elburgon acc's office	fencing to completion of five acres	1,200,000	
mukinyai chiefs office	purchase of water tank	150,000	
1. Marioshoni chief's office	constrcution of chief's office		1,000,000
2. mona chief's office	constrcution of chief's office		1,000,000
emergency	to cater for unforeseen occurences	5,931,292	192,206
bursary	bursary for needy students-tertiary	1,189,619	1,000,000

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sports	to carry out sports activities	1,461,796	
environment			1,400,000
Sub-Total		9,932,707	4,592,206
Acquisition of assets			
Oversight Committee Expenses(itemize)			
1. advertising awareness an publicity campaign		480,000	
2. publishing and printing services		481,160	
3. allowances for the members		80,000	
4. refined fuels and lubricants for transport		40,000	
		1,081,160	
Others (specify)			
ng-cdf strategic plan	stategic plan for 2023-2027	2,000,000	
Sub-Total			
Funds pending approval		2,600,000	
Grand Total		47,367,202	30,442,005

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2021-2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2022-2023
Land	0			-
Buildings and structures	26,383,000			26,383,000
Transport equipment	4,500,000			4,500,000
Office equipment, furniture and fittings	1,220,408			1,220,408
ICT Equipment, Software and Other ICT Assets	123,530			123,530
Other Machinery and Equipment				-
Heritage and cultural assets				-
Intangible assets				-
Total	32,226,938			32,226,938

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PMC	ACCOUNT NUMBER	Bank	Bank balance as at 30th June 2023	Bank balance as at 30th June 2022
Arimi secondary school	0230264085292	Equity	16,561	
Arimi Secondary School	0230264085292	Equity		100
chandera police post	0230179879013	Equity		-
chandera primary school	0230162108763	Equity		2,720
Daraja Primary School	0230172079623	Equity		49,477
elburgon anti stock theft police station	0230280859974	Equity		-
elburgon chiefs office	0230177260772	Equity		-
Elburgon d.e.b sec sch	0230262057432	Equity	2,999,159	
Elburgon D.E.B Secondary School	0230262057432	Equity		6,499,880
elburgon DEB primary school	0230264538400	Equity		1
elburgon DEB secondary school	0230176251682	Equity		6,499,880
Elburgon sec school	0230161980405	Equity	3,750,033	
Elburgon Technical Training Institute	0230280781424	Equity		7,000,203
elburgon technical training institute	0230280781424	Equity		-
gathigi primary school	0230264079562	Equity		-
Greenpark primary	0230264225943	Equity	901	

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greenpark primary school	0230264225943			-
		Equity		
k.m.t. c molo	01141720378700	Equity		-
k.m.t. c molo	01141720378700	Equity		-
kambala secondary school	0230262275943			-
		Equity		
kapsita secondary school	0230162296681	Equity		86
Kiambiriria Primary School	0230161975129			84
		Equity		
kiambiriria secondary school	0230161966075			2,999,519
		Equity		
kiambiriria Secondary School	0230161966075			299,519
		Equity		
kibunja primary school	0230262670265	Equity		-
Kimonio Primary School	0230264035926			58,967
		Equity		
KMTC MOLO	01141720378700	Equity		9,921,787
kondamet primary school	0230175984080			-
		Equity		
Lawina Primary School	0230172109209			300,000
		Equity		
Lawina Secondary School	0230161963825			53,428
		Equity		
Mariashoni Chiefs office	0230182601207	Equity	66,083	
Mariashoni pry school	0230265826204	Equity	4,585	
mariashoni sec school	0230177169777	Equity	20	
mariashoni secondary school	0230177169777			-
		Equity		
Marioshoni Secondary School	0230177169777			20
		Equity		

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mary mount secondary school	0230179883928			-
		Equity		
Matumaini Secondary School	0230266537534			10
		Equity		
mianzini primary school	0230161965565			755
		Equity		
mianzini secondary school	0230162030686			-
		Equity		
michatha chiefs office	0230179874965			-
		Equity		
michatha pry school	0230162269688		91	
		Equity		
michatha sec school	0230162269688		91	
		Equity		
michinda primary school	0230179876422			-
		Equity		
Michinda sec school	0230292970342		1,508,050	
		Equity		
michinda secondary school	0230292970342			-
		Equity		
mochorue police post	0230181003414			-
		Equity		
Molo Highway secondary school	0230170605532			1,747,168
		Equity		
molo highway secondary school	0230170605532			-
		Equity		
molo ng-cdf environment project	0230179533408			-
		Equity		
Molo NGCDF Environment	0230179533408		300	
		Equity		
molo police station	0230280842065			-
		Equity		
molo sports youth association	0230176815287			-
		Equity		
Mona chiefs office	0230182601137		48	
		Equity		
mona secondary school	0230264491242			-
		Equity		
moto secondary school	0230179876582			-
		Equity		
muchorue chiefs office	0230181003399			-
		Equity		

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mukinyai chiefs office	0230179876645	Equity		-
Mukinyai pri school	0230162356053	Equity	1,654,223	
Mukinyai Pry school	0230162356053	Equity	1,654,223	
Mukinyai sec school	0230176251682	Equity	633,882	
Mukinyai Secondary School	0230176251682	Equity		-
Mutamaiyu Assistant Chief's office	0230282087598	Equity		100,000
mutamaiyu police post	0230177840501	Equity		60
Mutate Pry school	0230172080005	Equity	98	
mwangaza primary school	0230262917859	Equity		71,651
mwangi michuki pry sch	0230191181919	Equity	1,153,734	
Mwangi michuki sec sch	0230175902166	Equity	1,985,167	
Ndimu Primary School	0230162212722	Equity		799,880
Ndoswa chief's office	0230177478489	Equity		780
Ndoswa Primary School	0230264534121	Equity		191
New Creation pry sch	0230162429305	Equity	1,000,066	
ng-cdf office	0230178643177	Equity		-
nguzu river primary school	0230170642469	Equity		-
nyakiambi police post	0230181238200	Equity		-
nyakiambi primary school	0230176023413	Equity		10,500
orhodox primary school	0230263931131	Equity		-

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PCEA elburgon primary school	0230264025234	Equity		1,169
Rombe Primary School	0230262882247	Equity		-
Sachangwan pri School	0230162537494	Equity	147	
sakaitim chiefs office	0230179879035	Equity		-
sakaitim police post	0230179879020	Equity		-
Segut Primary School	0230172080421	Equity		1,000,000
Sokoro Girls Secondary School	0230162200866	Equity		600,000
sokoro primary school	0230161977322	Equity		-
sokoro pry school	0230161977322	Equity	595	
st james sec school	0230181001212	Equity	30	
St Marys mixed primary	0230264343857	Equity	50	
St. Bredance Primary School	0230162301705	Equity		54
st. brendans primary school	0230162301705	Equity		-
st. james primary school	0230161961419	Equity		-
st. james secondary school	0230181001212	Equity		-
st. joseph elburgon secondary school	0230264541039	Equity		-
St. Peters Boys Primary School	0230162129868	Equity		97,647
st. peters girls day primary school	0230177833085	Equity		10
tayari primary school	0230161960765	Equity		-
tayari primary school	0230161960765	Equity		-

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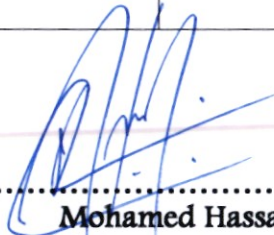
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Timoo primary school	0230192078959	Equity	445,094	
Tuiyobei Primary School	0230182515748	Equity		234,887
tumaini integrated primary school	0230177836918	Equity		~
tumaini integrated secondary school	0230266537534	Equity		~
Tumaini Primary School	0230177836918	Equity		400
Turi Secondary School	0230264527360	Equity		3,529,252
Turi Sulgwita primary School	0230161970903	Equity		102
TOTAL			16,879,231	41,880,186

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)
8.	Inaccuracy of the Summary of Fixed Assets Register	The anomaly has been corrected in the financial statement	resolved	N/A
9.	Unsupported Project Management Committee (PMC) Account Balances	The anomaly has been corrected in the financial statement	resolved	N/A


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Mohamed Hassan
Fund Account Manager.