

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

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

FOR THE YEAR ENDED	
30 JUNE, 2024	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 th June	DAY: Wednesday
TABLED BY:	Hon. Owen Baya, MP Deputy Leader of Majority
CLERK-AT THE-TABLE:	Esther Ngiyo



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.
31 DEC 2024
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KAITI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024**

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

MS. B. 1. 8

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Josefridah M Kameti
2.	Sub-County Accountant	Gregory Mwaniki
3.	Chairman NGCDFC	Japheth M Nyalita
4.	Member NGCDFC	N/A

(d) Fiduciary Oversight Arrangements

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

(e) Kaiti constituency NGCDF Headquarters

P.O. Box 1-90301,
NG-CDF Kaiti Building,
Mukuyuni ACC's Compound,
Okia-Makueni,

Kenya,

(f) Kaiti constituency NGCDF Contacts

Telephone: (254) 0720 120 932

E-mail: cdfkaiti@cdf.go.ke

Website: www.go.ke

(g) NGCDF Kaiti Constituency Bankers

1. Bank A. (Operations Account).
Family bank ltd, Account name: Kaiti NG-CDF account
Account Number: 088000024406
Branch: Wote
P.O. Box 1-90301
2. Bank B. (Deposit account).
Equity bank ltd, account name: kaiti NG-CDF Account
Account Number :0670285286920
Branch: wote
P.O. Box 1-90301

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



**MR. JAPHETH M. NYALITA
CHAIRPERSON, NG-CDFC-KAITI**

BRIEF CONSTITUENCY PROFILE

Kaiti Constituency is an electoral constituency No. 085.

It comprises of the following wards.

1. UKIA WARD

County Assembly Ward No. 0420

Comprises of Utaati, Kyuasini, Nzuuni, Mukuyuni, Iuani, Kaumoni and Nthangu Sub-locations.

2. KEE WARD

County Assembly Ward No. 0421

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Comprises of Makongo, Ikalyoni, Kivani, Kyamwalye, Kitandi, Nguluni, Kasunguni and MUTulani Sub-locations.

3. KILUNGU WARD

County Assembly Ward No. 0422

Comprises of Kauti, Nduu, Ndiani, Kisekeni, Kithangathini and Kalongo Sub – locations.

4. ILIMA WARD

County Assembly Ward No. 0423

Comprises of Ndoloni, Wautu, Kyamuoso, and Musalala Sub-locations

Kaiti NG-CDF has had a significant improvement in utilization of funds received from the board some drawbacks like politics for the August general elections. We have improved overall absorption of funds from 74% last year to about 88% this year. There is also an improvement in the funds absorption in all the various project sectors as shown below.

I am Glad to present Kaiti NG-CDF Annual Financial statements for the FY 2023/2024.

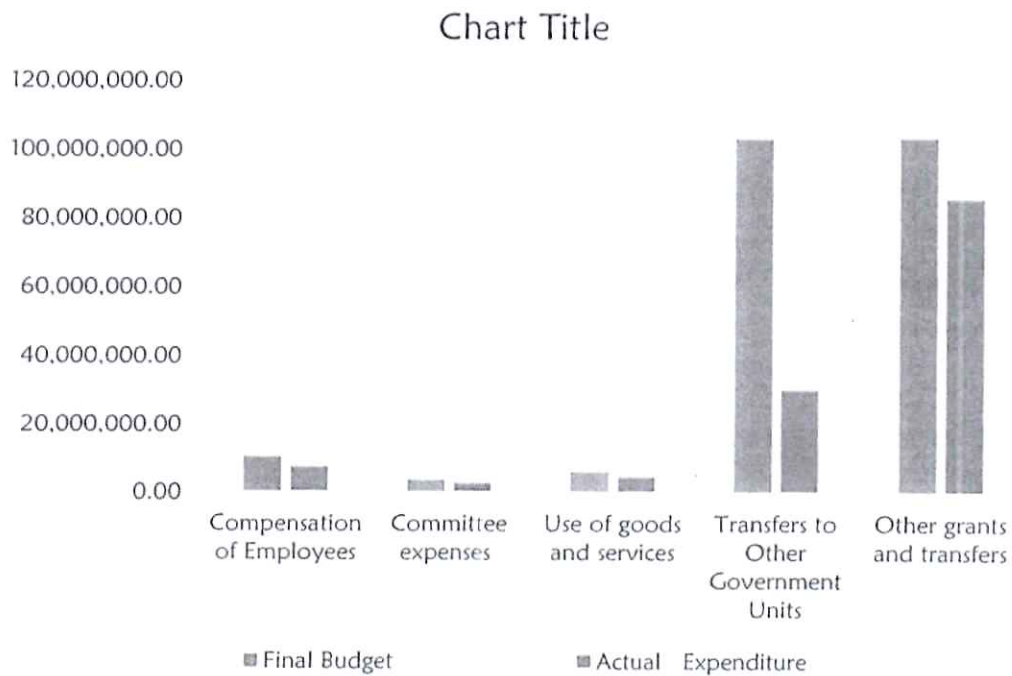
We had an allocation of Ksh.179,063,803 and by June 2024 we had only received Ksh. 85,401,201 representing 47.69% of the total allocation. Out of this funding we disbursed the total amount allocated for bursary ksh 65,288,013. On this respect our demand schedule/applicants surpassed our anticipated outlay thereby compelling us to seek for reallocation from emergency sector balances from previous years.(ksh. 5000,000) .it is therefore evident that in the coming years our budget for bursary shall not fall short of maximum limit permissible by the NG CDF ACT.

As we all know the funds disbursement to constituencies delayed considerably up to almost the last quarter of the FY 2023/24. This situation made it impossible for us to implement projects during the just concluded financial year but rather to focus on available funds that had been disbursed to us during the other financial years.

FINAL BUDGET AGAINST ACTUAL PERFORMANCE

Expense item	Final Budget	Actual Expenditure
Compensation of Employees	9,851,326	7,304,480
Committee expenses	3,785,019	2,670,000
Use of goods and services	4,888,708	4,495,396
Transfers to Other Government Units	84,037,791	30,340,725
Other grants and transfers	98,775,150	85,627,367
Acquisition of Assets	2,650,000	-
Other Payments	3,992,151	2,500,000
Unallocated Funds	22,447,937	-

GRAPH 1: FINAL BUDGET AGAINST ACTUAL PERFORMANCE

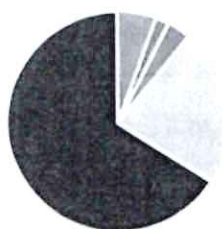


CONSTITUENCY ACTUAL PERFORMANCE

Expense item	Actual Expenditure
Compensation of Employees	7,304,480.00
Committee expenses	2,670,000.00
Use of goods and services	4,495,396.00
Transfers to Other Government Units	30,145,105.00
Other grants and transfers	85,822,987.00

GRAPH 2: ACTUAL PERFORMANCE

Actual Expenditure



- Compensation of Employees
- Committee expenses
- Use of goods and services
- Transfers to Other Government Units
- Other grants and transfers

KEY ACHIEVEMENTS

During the financial year 2023/2024, kaiti NG-CDF has been able to hit tremendous achievements in different sectors, as highlighted;

- a. The Entity prioritised awarding of bursaries to needy students in the constituency and thus posting a higher performance in this sector.
- b. Projects were implemented on time hence posting a recommendable performance too in the Education sector.
- c. Other programmes i.e. sports and Environment were also implemented as planned and were very beneficial to the constituents.

I have sampled a photo of the projects that were implemented during the financial year as shown below



FIG 1: KYUKI PRIMARY SCHOOL-CONSTRUCTION OF 2 CLASSROOMS

Kyukie primay school is located in Ukia ward. The construction of 2 classrooms is complete and in use. This project is the pride of the Kaiti constituency because it serves upto 400 students within the school. The project is a clear indication of the milestones Kaiti NGCDF is wiling to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.

FIG 2: KAVATANZOU PRIMARY SCHOOL- CONSTRUCTION OF 2 CLASSROOMS



Kavata nzou primay school is located in Ilima ward. The construction of 2 classrooms is complete and in use. This project is the pride of the Kaiti constituency because it serves upto 400 students within the school. The project is a clear indication of the milestones Kaiti NGCDF is wiling to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.

Emerging Issues related to Kaiti NG-CDF

1. The rapidly increasing population in the constituency demanding for more expenditure on projects eg more classrooms
2. Declining sources of income for constituents leading to more needy students for bursary
3. Increasing emergency cases due to heavy rainfall and frequent wind storms
4. The rapid rate of inflation. This leads to more expenditure on projects than previously projected

Implementation Challenges

- I. Lack of knowledge on the part of PMCs on procurement procedures and guidelines. Kaiti NG-CDF is conducting frequent PMC training in all the wards to enhance skills for the PMCs.
- II. Inadequate funds for emergency projects. Most emergency cases are left unfunded because the available funds are not sufficient to meet the increasing emergency cases due to heavy rainfall and frequent wind storms.
The constituency usually seeks support from other government and non-governmental entities to fund all or some of the emergency cases not factored by Kaiti NG-CDF.
- III. Delay in disbursement of funds from the board leading to delayed project implementation. The board should ensure that funds reach the constituency in time.



.....

Name: Japheth M Nyalita
CHAIRPERSON-NG-CDF COMMITTEE

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

Introduction

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

The key development objectives of **Kaiti Constituency 2023-2028** Strategic plan are to:

- i. To act as an overarching Constituency development framework for guiding socio-economic transformation between 2023 and 2028.
- ii. To provide a local framework for actualizing the achievement of the Big 4 agenda and the Kenya vision 2030.
- iii. To reduce inequality through equitable distribution of resources across the wards within the constituency.
- iv. To create a firm foundation for socio-economic transformation through education and security infrastructural development.
- v. To enhance local resource mobilization from other development partners and actors within and outside the constituency.
- vi. To Facilitate annual planning and budgeting for the identified projects that will spur development in the constituency, and facilitate annual review of plans and budgets to track progressing implementation and draw lessons for incorporation I n subsequent planning and budgeting.
- vii. To provide a framework for continuous monitoring and systematic evaluation of development projects.

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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 Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	<p>In FY 23/24 - we increased number of classrooms from 66 to 68 in primary schools and 34 to 38 in secondary schools.</p> <p>- Bursary beneficiaries at all levels were 8500 in secondary schools and 4500 in tertiary institutions. as per the attached schedules</p>
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	<p>Number of renovated chiefs' offices increased From 25 to 26</p> <p>Number of assistant chiefs' offices increased from 18 to 120</p> <p>Number of police lines increased from 8 to 9</p>

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	service delivery			
Environment	Conserved environment through natural resources conservation initiatives	Environment conservation Equip schools and public facilities with sanitation	Number of drifts Number of sanitation facilities built in primary and secondary Number of trees	Construction of modern toilets in kikumini police station
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	There was sports tournaments where 20 teams benefited from sports kits and balls.
Emergency	To cater for unforeseen occurrences in the constituency during the financial year	Enhanced smooth running of operations.	Number of primary School of pit latrines sunk due to heavy rainfalls have been constructed by the emergency programme	Constructed a modern toilet in Kyuasini police station

5. Governance Statement

Introduction

The NGCDF Act 2016 on appointment of NGCDFC members states; The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

(2) 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.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) 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.

(5) 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.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

(9) 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.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) 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.

1952 Kenya Subsidiary Legislation, 2016

The selection panel shall stand dissolved upon the appointment of the members of a Constituency Committee.

The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed Under the Act may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

In Kaiti, NGCDF is managed by a team of ten (10) NGCDFC members appointed in accordance with the NGCDF act 2015 as amended in 2022. The ten members comprise of seven gazetted members, a member co-opted by the NGCDF Board, the deputy County commissioner and an officer of the board at the constituency level who is an ex-officio member. As a result of change of regime due to the elections carried out in August 2022, there had to be phased out the existing committee and a new one selected.

The gazetted members are appointed in accordance with the NGCDF Act 2015. They comprise of two female members one of whom must be a youth at the time of appointment and two male members one of whom must be a youth at the time of appointment and one member who is a person living with disabilities and two nominees of the Constituency office. Five members are selected by a selection panel chaired by the Deputy County Commissioner or his nominee and the Officer of the board is the secretary. The Officer of the board invites applications from persons who qualify for appointment within fourteen of the first meeting of the selection panel. The panel considers all applications and selects five applicants considering age, gender social interest and regional balance, the officer of the board submits the five qualified applicants to the board for appointment. The board co-opts one person to ensure equity in representation in the committee. Through the national assembly the constituency office nominates two persons of

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either gender to and forward he names to the officer of the board at the constituency. All the names of the seven appointees are presented to parliament for approval and subsequent gazette.

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43 and its regulations provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

Further the NG CDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency. In the month of August 2022, due to change of regime as a result of election, the serving committee was phased off .This caused the NGCDF office to carry out an appointment of the new committee.

In Kaiti constituency, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee.

Appointment of NGCDFC Members

The selection Panel

The selection panel was appointed in the month of October.This constituted four members as follows;

SNO	NAME	DESIGNATION
1	JANE M. THIGA	chair
2	FRANCIS MUIA	member
3	JAMES MULWA	member
4	DANIEL M. MALUKI	secretary

The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency in the month of **11th October 2022**.

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The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Kaiti Constituency Office as per section 43 of the NG-CDF Act, 2015.

S/N	Name	Category representation	Ward
1.	Japheth Musyoki Nyalita	Male(Adult)	Ilima
2.	David Muthinzio Mbatha	Male(Youth)	Kilungu
3.	Winfred Nthenya Katunga	Female(Adult)	Ukia
4.	Angela Itumbi Mumbi	Female(Youth)	Kee

Nominee of the body representing persons with disability

S/N	Name	Nature of physical Impairment	Ward
1	Florence Mutania Mutie	Weakness on leg and hand.	ilima

Nominee of the constituency Office

S/N	Name	Category	Ward
1	Isaac Muloi Mwongela	Male	Ilima
2	Ruth Nduku Mwinzi	Female	Ukia

Upon further consultation with the panel and the constituency office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

S/N	Name	Gender	Ward
1.	Oliver Mutevu Mbuva	Male	kee

The members went through the process of electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson position – Japheth Musyoki Nyalita
2. Secretary position – Isaac Muloi Mwongela

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

The appointed committee members were gazetted through gazetted volume number vol cxxiv No 254 on 29th November 2022

The new committee held its first meeting on 2nd December 2022.

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Sno.	Name	Position
1	Japheth Musyoki Nyalita	Chair person
2	Isaac Muloi Mwangela	secretary
3	Josefrida Kameti	member
4	Jane Thiga	member
5	David muthinzio mbatha	member
6	Angela itumbi mumbi	member
7	Florence mutania mutie	member
8	Winnie Katunga	member
9	Ruth nduku mwinzi	member
10	Oliver Mbuva	member

Removal of NGCDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

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

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In kaiti the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.

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- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

Training of NG-CDFC Members

In the financial year 2022/2023 the NGCDF Board organized training of NGCDFC members. The constituency also held a capacity building activity in Mombasa on 2nd -7th April 2023. During the training, critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Kaiti

Number of meetings held

NGCDF ACT sec 43(11) The Constituency Committee shall meet at least six times in a year but The committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

During the financial year 2022/2023 the NGCDFC Kaiti held 12 meetings through the year,4 being for the previous committee while 8 for the current committee as illustrated as follows;

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SCHEDULE OF MEETINGS HELD DURING THE FY 2023/2024

S.No	NG-CDFC COMMITTEE MEMBERS	02/12/23	28/12/23	12/1/24	4/2/24	10/3/24	2/4/24	18/5/24	28/6/24
1	Japheth Musyoki Nyalita	√	√	√	√	√	√	√	√
2	Isaac Muloi Mwongela	√	√	√	√	√	√	√	√
3	Josefrida Kameti	√	√	√	√	√	√	√	√
4	Joel Mwangala	√	√	√	√	√	√	√	√
5	David muthinzio mbatha	√	√	√	√	√	√	√	√
6	Angela itumbi mumbi	√	√	√	√	√	√	√	√
7	Florence mutania mutie	√	√	√	√	√	√	√	√
8	Winnie Katunga	√	√	√	√	√	√	√	√

National Government Constituencies Development Fund (NGCDF)
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9	Ruth nduku mwinzi	√	√	√	√	√	√	√	√
10	Oliver Mbuva	√	√	√	√	√	√	√	√

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues;

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2023/2024 members of NGCDF-C Kaiti adhered to the above ethical issues.

Members remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance of ksh.7000 per meeting and all other members an allowance of ksh.5000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2023/2024 no member of NGCDFC Kaiti contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out

their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Kaiti has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

6. Environmental and Sustainability Reporting

Kaiti 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 Kaiti NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

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

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

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

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

2. Environmental performance

NG-CDFC Kaiti has partnered with various institutions majorly from the county government to carry out environment conservation activities including planting of trees during rainy seasons

- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

3. Employee welfare

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

Kaiti Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

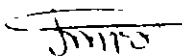
Kaiti Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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



.....
Name Josefridah M Kameti
Fund Account Manager.

7. Statement of Management Responsibilities

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

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

The Accounting Officer in charge of the NGCDF-Kaiti Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- KaitiConstituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

*National Government Constituencies Development Fund (NGCDF)
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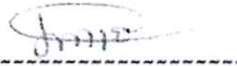
The Accounting Officer in charge of the NGCDF Kaiti Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Kaiti Constituency financial statements were approved and signed by the Accounting Officer on 30 DECEMBER 2024.



Name: Japheth M Nyalita
Chairman – NG-CDF Committee



Name: Josefrida M Kameti
Fund Account Manager

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kaiti Constituency set out on pages 1 to 46 which

Report of the Auditor-General on National Government Constituencies Development Fund - Kaiti Constituency for the year ended 30 June 2024

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

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

Basis for Qualified Opinion

1. Unsupported Committee Expenses

The statement of receipt and payments and as disclosed in Note 5 to the financial statements reflect committee expenses of Kshs.2,670,000 which includes an expenditure totalling Kshs.597,950 whose support documents were not provided for audit review.

In the circumstances, the accuracy and completeness of committee expenses amounting to Kshs.597,950 could not be confirmed.

2. Undisclosed Bank Balance

The statement of assets and liabilities and as disclosed in Note 11A to the financial statements reflect bank balances of Kshs.4,335,236. However, review of records revealed that one bank account with a balance of Kshs.41,578 was not disclosed in the financial statements. Further, the Bank account was to be closed six (6) months after opening an account with another bank as had been directed by the NG-CDF Board. However, as at the time of audit in December 2024, the account had not been closed and the bank statement was not provided for audit review.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.4,335,236 could not be confirmed.

3. Unsupported Gratuity

Note 14 to the financial statements reflects gratuity paid during the year of Kshs.1,026,351. However, the payment vouchers and bank statements were not provided for audit review. In addition, Note 16 to the financial statements reflects gratuity prior year adjustment of Kshs.1,062,693 whose support documents were not provided for audit

review. Further, Note 18 and 19.2 to the financial statements reflect changes in accounts payables – gratuities and retentions and pending staff accounts payables respectively whose support documents were also not provided for audit review.

In the circumstances, the accuracy of the gratuity amount as disclosed in the financial statements could not be confirmed.

4. Unsupported Transfers to Other Government Units

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflect transfers to other Government units of Kshs.30,145,105 . However, analysis of the ledger provided for audit review revealed a total of Kshs.30,340,725 resulting in unexplained and unreconciled variance of Kshs.195,620.

In the circumstances the accuracy and completeness of transfers to other Government units totalling Kshs.30,145,105 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual amounts on comparable basis of Kshs.230,425,082 and Kshs.136,762,480 respectively resulting to under-funding of Kshs.93,662,602 or approximately 41% of the budget.

The under-funding may affect the planned activities and may impact negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not reflected the status of the issues for all the prior year matters as

prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. Management has not provided any explanation for non-adherence to the reporting template.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Report Emergency Projects

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflect other grants and transfers totalling Kshs.85,822,987 which includes emergency expenditure of Kshs.15,900,914. However, there was no evidence provided for audit review to confirm that the NG-CDF Committee reported the expenditure on the emergency projects to the NGCDF Board. This is contrary to Regulation 20(2) of the NG-CDF Regulations, 2016 which stipulates that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

2. Failure to Insure Fixed and Moveable Assets

Annex 4 to the financial statements reflects summary of fixed assets register with a historical cost of Kshs.28,716,020. However, the assets were not insured contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2015 which stipulates that, all fixed assets, including equipments bought under the Act for the Constituency Committee shall be the property of the Board and shall be insured in the name of the Board.

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

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

REPORT ON 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 overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's, ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

National Government Constituencies Development Fund (NGCDF)

Kaiti Constituency

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

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

	Note	2023-2024	2022-2023
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	136,616,234	87,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	3,000	-
TOTAL RECEIPTS		136,619,234	87,000,000
PAYMENTS			
Compensation of employees	4	7,304,480	6,381,897
Committee expenses	5	2,670,000	1,408,981
Use of goods and services	6	4,495,396	4,251,628
Transfers to Other Government Units	7	30,145,105	19,200,000
Other grants and transfers	8	85,822,987	59,812,920
Acquisition of Assets	9	-	-
Other Payments	10	2,500,000	
TOTAL PAYMENTS		132,937,968	91,055,426
SURPLUS/DEFICIT		3,681,266	(4,055,426)


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 30 DECEMBER 2024 and signed by:




Fund Account Manager

Name: *Josefrida M Kameti*



National Sub-County
Accountant

Name: *Gregory M Mwaniki*
ICPAK M/No: 12536



Chairperson NG-CDF
Committee

Name: *Japheth M Nyalita*

National Government Constituencies Development Fund (NGCDF)

Kaiti Constituency

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

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

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	4,335,236	146,246
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		4,335,236	146,246
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		4,335,236	146,246
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	563,391	-
Gratuity	14	-	-
NET FINANCIAL SSETS		3,827,512	146,246
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	146,246	4,201,672
Prior year adjustments	16	-	-
Surplus/Defict for the year		3,681,266	(4,055,426)
NET FINANCIAL POSITION		3,827,512	146,246

National Government Constituencies Development Fund (NGCDF)

Kaiti Constituency

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

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 30 DECEMBER 2024 and signed by:



Fund Account Manager

Name: *Josefrida M Kameti*



National Sub-County
Accountant

Name: *Gregory M Mwaniki*
ICPAK M/No: 12536



Chairperson NG-CDF
Committee

Name: *Japheth M Nyalita*

National Government Constituencies Development Fund (NGCDF)

Kaiti Constituency

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

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

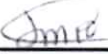

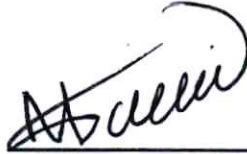
		2023-2024	2022-2023
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	136,616,234	87,000,000
Other Receipts	3	3,000	-
		136,619,234	87,000,000
Payments for operating activities			
Compensation of Employees	4	7,304,480	6,381,897
Committee expenses	5	2,670,000	1,408,981
Use of goods and services	6	4,495,396	4,251,628
Transfers to Other Government Units	7	30,145,105	19,200,000
Other grants and transfers	8	85,822,987	59,812,920
Other Payments	10	2,500,000	
		132,937,968	91,055,426
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	507,724	-
Prior year Adjustments	16	-	
Net Adjustments		507,724	-
Net cash flow from operating activities		4,188,990	(4,055,426)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		4,188,990	(4,055,426)

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Cash and cash equivalent at BEGINNING of the year	11	146,246	4,201,672
Cash and cash equivalent at END of the year		4,335,236	146,246

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 30 DECEMBER 2024 and signed by:

 <hr style="border: 0.5px solid black;"/> <p>Fund Account Manager</p> <p>Name: <i>Josefrida M Kameti</i></p>	 <hr style="border: 0.5px solid black;"/> <p>National Sub-County Accountant</p> <p>Name: <i>Gregory M Mwaniki</i> ICPAK M/No:12536</p>	 <hr style="border: 0.5px solid black;"/> <p>Chairperson NG-CDF Committee</p> <p>Name: <i>Japheth M Nyalita</i></p>
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National Government Constituencies Development Fund (NGCDF)

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

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	179,063,803	146,246	51,215,033	230,425,082	136,762,480	93,662,602	
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts	3,000			3,000		3,000	0.0%
TOTAL RECEIPTS	179,066,803	146,246	51,215,033	230,428,082	136,762,480	93,665,602	59.4%
PAYMENTS							
Compensation of Employees	7,368,860	146,246	2,736,220	10,251,326	7,304,480	2,946,846	71.3%
Committee expenses	3,000,000	-	785,019	3,785,019	2,670,000	1,115,019	
Use of goods and services	4,624,574	-	264,134	4,888,708	4,495,396	393,312	92.0%
Transfers to Other Government Units	52,240,166	-	31,797,625	84,037,791	30,145,105	53,892,686	35.9%

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Other grants and transfers	86,735,265	-	11,639,885	98,375,150	85,822,987	12,552,163	87.2%
Acquisition of Assets	2,650,000	-	-	2,650,000	-	2,650,000	
Other Payments	-	-	3,992,150	3,992,150	2,500,000	1,492,150	62.6%
Unallocated Funds	22,444,937	3,000	-	22,447,937	-	22,447,937	
TOTAL	179,063,802	149,246	51,215,033	230,428,081	132,937,968	97,490,113	57.7%

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

Explanatory Notes.

a) **Commentary on underutilization**

- i. Compensation of employees: The entity engaged fewer employees than it had projected
- ii. Transfer to other government units: Due to piece meal disbursement of funds from the board
- iii. Other grants and transfers: Due to piece meal disbursement of funds from the board

(Changes between the original and final budget are as a result of reallocations within the budget)

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	97,490,113
Less undisbursed funds receivable from the Board as at 30th June 2024	93,662,602
	3,827,511
Add Accounts payable	507,724

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Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2023/2024	4,335,235

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

Program me/Sub-program me	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous			
			Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	7,368,860	146,246	2,736,220	10,251,326	7,304,480	2,946,846
1.2 Committee allowances	2,000,000		44,000	2,044,000	1,365,000	679,000
1.3 Use of goods and services	1,724,575		67,796	1,792,371	1,639,234	153,137
Sub-total	11,093,435		2,848,016	13,941,451	10,308,714	3,632,737
2.0 Monitoring and evaluation				-		-
2.1 Capacity building	2,300,000		131,338	2,431,338	2,315,000	116,338
2.2 Committee allowances	1,000,000		741,019	1,741,019	1,305,000	436,019

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2.3 Use of goods and services	600,000		65,000	665,000	541,162	123,838
Sub-total	3,900,000		937,357	4,837,357	4,161,162	676,195
3.0 Constituency Oversight Committee (Itemize as per budget)				-		-
3.1				-		-
Accommodation - Domestic Travel			150,000	150,000		150,000
Advertising, Awareness and Publicity Campaigns			50,000	50,000		50,000
Committee allowances			552,150	552,150		552,150
Daily Subsistence Allowance			72,000	72,000		72,000
Publishing and Printing Services			20,000	20,000		20,000
Refined Fuels and Lubricants for Transport			100,000	100,000		100,000
Telephone, Telex,			48,000	48,000		48,000

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Facsimile and Mobile Phone Service						
Total	-	-	992,150	992,150	-	992,150
4.0 Emergency						
4.1 Primary Schools	3,000,000		2,700,000	5,700,000	5,700,000	-
4.2 Secondary schools	4,000,000		2,800,000	6,800,000	6,560,000	240,000
				-		-
				-		-
unutilised	1,768,091		1,782,435	3,550,526	2,845,294	705,232
Sub-total	8,768,091		7,282,435	16,050,526	15,105,294	945,232
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	45,000,000		1,526,474	46,526,474	46,483,073	43,401
5.3 Tertiary Institutions	21,637,488		2,373	21,639,861	20,439,000	1,200,861
5.4 Universities				-		-
5.5 Education Support Programmes				-		-

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5.6 Social Security				-		-
Sub-total	66,637,488		1,528,847	68,166,335	66,922,073	1,244,262
6.0 Sports				-		-
6.1			64,300	64,300		64,300
6.2				-		-
Sub-total	-	-	64,300	64,300	-	64,300
7.0 Environment				-		-
Voo sand dam			892,000	892,000		892,000
Kwa Kasamba sand dam			956,000	956,000		956,000
Mataanis yoni sand dam			916,302	916,302		916,302
Kyambai Primary school	100,000			100,000		100,000
Kee Secondary school	100,000			100,000		100,000
Nguluni Primary School	100,000			100,000		100,000
Kitandi Secondary school	100,000			100,000		100,000
Ngiluni Primary school	100,000			100,000		100,000
Kivutini Primary school	100,000			100,000		100,000
Kilala AIC Primary school	100,000			100,000		100,000

National Government Constituencies Development Fund (NGCDF)

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Muiu Secondary school	100,000			100,000		100,000
Kyamuti mba Primary school	100,000			100,000		100,000
Makuli Secondary school	100,000			100,000		100,000
Engavu Secondary school	100,000			100,000		100,000
Kambuk u Primary school	100,000			100,000		100,000
Kiluluini Primary school	100,000			100,000		100,000
Kyambek e Primary school	100,000			100,000		100,000
Kyamuli nge Primary school	100,000			100,000		100,000
Kithanga thini Primary school	100,000			100,000		100,000
Kauti primary school	100,000			100,000		100,000
Ikalyoni Secondary school	100,000			100,000		100,000
Kyale Primary school	100,000			100,000		100,000
Nduu Primary school	100,000			100,000		100,000
Kasungu ni Primary School	100,000			100,000		100,000

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Thoma Primary School	100,000			100,000		100,000
Kyanwal ye Primary School	100,000			100,000		100,000
Mumbuni Primary School	100,000			100,000		100,000
AIC Mumbuni secondary	100,000			100,000		100,000
Kyuasini Secondary School	100,000			100,000		100,000
Matua Primary School	100,000			100,000		100,000
Kyau Primary School	100,000			100,000		100,000
Kiukuni Secondary School	100,000			100,000		100,000
Kyau Secondary school	100,000			100,000		100,000
Miting'ani Primary School	100,000			100,000		100,000
Mutula Primary School	100,000			100,000		100,000
Ukia Mixed Secondary School	100,000			100,000		100,000
Iuani Secondary School	100,000			100,000		100,000
Kilala Chief's Office	100,000			100,000		100,000
Kwa Katuu	2,414,843			2,414,843		2,414,843

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sand Dam						
Kakindu sand Dam	2,414,843			2,414,843		2,414,843
				-		-
				-		-
				-		-
Sub-total	8,329,686	-	2,764,302	8,329,686	-	8,329,686
8.0 Primary Schools Projects				-		-
(List all the Projects)				-		-
Mumbuni Primary School	3,000,000			3,000,000		3,000,000
Kyuki Primary School	1,000,000		2,400,000	3,400,000	3,000,000	400,000
Kee Primary School			1,000,000	1,000,000		1,000,000
Katulye Primary School			900,000	900,000	900,000	-
Kavutini Primary School			800,000	800,000	800,000	-
katitu primary school			1,056,900	1,056,900		1,056,900
Matangi Primary School	1,390,000			1,390,000		1,390,000
Kyesuni Primary School	1,390,083			1,390,083		1,390,083
Katitu Primary School	1,380,000			1,380,000		1,380,000
Mutongu Primary School	1,390,000			1,390,000		1,390,000

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Mutungu Primary School	1,380,000			1,380,000		1,380,000
Kikoko Girls Primary School	1,390,000			1,390,000		1,390,000
Ukia Primary School	1,390,000			1,390,000		1,390,000
Itumbule Primary School	1,380,000			1,380,000		1,380,000
Matindini Primary School	1,380,000			1,380,000		1,380,000
Kilala Primary School	1,390,000			1,390,000		1,390,000
Nthimbanani Primary School	1,380,083			1,380,083		1,380,083
Kinyuani Primary School	1,380,000			1,380,000		1,380,000
Matua Primary School	1,390,000			1,390,000		1,390,000
Munyuni Primary School	1,390,000			1,390,000		1,390,000
Wautu Primary School	1,390,000			1,390,000		1,390,000
Kaumoni DED Primary School	1,390,000			1,390,000		1,390,000
				-		-
Iuani HGM Primary School	1,380,000			1,380,000		1,380,000
Nunguni Primary School	1,380,000			1,380,000		1,380,000
Sub-total	28,940,166		6,156,900	35,097,066	4,700,000	30,397,066
9.0 Secundar				-		-

National Government Constituencies Development Fund (NGCDF)

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y Schools Projects (List all the Projects)						
Ikalyoni secondary school			2,400,000	2,400,000	2,400,000	-
AIC Mumbuni secondary school			3,000,000	3,000,000	3,000,000	-
Thomeandu secondary school			2,400,000	2,400,000		2,400,000
AIC Kavatanzu secondary school			2,400,000	2,400,000	2,400,000	-
Kyang'a secondary school			2,000,000	2,000,000	2,000,000	-
Kyau secondary school			2,500,000	2,500,000	2,500,000	-
Nthukula ABC secondary school			500,000	500,000	500,000	-
Mwea secondary school			2,200,000	2,200,000	2,200,000	-
Engavu secondary school			720,725	720,725	720,725	-
Kyuasini secondary school			7,520,000	7,520,000	7,520,000	-
Mumbuni Secondary School	2,000,000			2,000,000		2,000,000
Isovy Secondary school	9,300,000			9,300,000		9,300,000
Kee Secondary school	4,000,000			4,000,000		4,000,000
AIC Nunguni Secondary school	2,000,000			2,000,000		2,000,000

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Kyumu Secondary school	1,000,000			1,000,000		1,000,000
Kyamuth ei Boys secondary school	2,000,000			2,000,000	2,000,000	-
Ikalyoni Secondary school	2,000,000			2,000,000		2,000,000
Kyuasini Secondary School	1,000,000			1,000,000	1,000,000	-
Sub-total	23,300,000	-	25,640,725	48,940,725	26,240,725	22,700,000
11.0 Security Projects				-		-
Kilala Chiefs Office			1,500,000	1,500,000	1,500,000	-
Kyakatoni Assistant Chief Office			1,500,000	1,500,000	1,500,000	-
Kasunguni Assistant chiefs office	1,500,000			1,500,000		1,500,000
Nduu chiefs' office	500,000			500,000		500,000
Kitandi chiefs office	1,000,000					
Sub-total	3,000,000		3,000,000	6,000,000	3,000,000	3,000,000
12.0 Acquisition of assets				-		-
12.1 Motor Vehicles (including motorbikes)				-		-

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12.2 Construct ion of CDF office	2,650,000			2,650,000		2,650,000
12.3 Purchase of furniture and equipme nt						-
12.4 Purchase of computer s				-		-
12.5 Purchase of land				-		-
Sub-total	2,650,000			2,650,000		2,650,000
13.0 Others				-		-
13.1 Strategic Plan			3,000,000	3,000,000	2,500,000	500,000
13.2 Innovatio n Hub				-		-
13.2				-		-
Funds pending approval **				-		-
KMTC KILUNG U	15,165,251			15,165,251		15,165,251
NG-CDF OFFICE	7,279,686			7,279,686		7,279,686
Sub-total	22,444,937			22,444,937		22,444,937
Total	179,063,803	146,246	51,215,032	230,425,081	132,937,968	97,487,113

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

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Recognition of Receipts

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

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

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

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. Unutilized Funds from PMCs.

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

e. External Assistance

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

5. Recognition of payments

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

a) Compensation of Employees

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

b) Use of Goods and Services

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

c) Acquisition of Fixed Assets

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

asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

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

6. In-kind contributions

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

7. Cash and Cash Equivalents

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

8. Accounts Receivable

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

9. Accounts Payable

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

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prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

10. Pending Bills

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

11. Unutilized Fund

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

12. Budget

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

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

13. Comparative Figures

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

14. Subsequent Events

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

15. Prior Period Errors

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Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

16. Related Party Transactions

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

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
Normal Allocation	Kshs	Kshs
B185077		7,000,000
B185348		6,000,000
B155615		15,000,000
B206110		5,000,000
B205749		12,000,000
B185615		12,000,000
B207508		15,000,000
B207874		15,000,000
B314278	48,450,732.30	
B214629	2,764,301.00	
B226020	30,000,000.00	
B225037	30,000,000.00	
B226422	25,401,201.00	
TOTAL	136,616,234.30	87,000,000

2. Proceeds From Sale of Assets

	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	-	-

3. Other Receipts

Description	2023-2024	2022-2023
	Kshs	Kshs
Interest Received		-

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Rents		-
Receipts Sale of Tender Documents	3,000.00	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs		-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	3,000.00	-

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4. Compensation Of Employees

Description	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,742,437	3,781,815
Personal allowances paid as part of salary		
House allowance	576,204	-
Transport allowance	-	-
Leave allowance		444,842
Gratuity-contractual employees	1,026,351	2,126,840
Employer Contributions Compulsory national social security schemes	900,992	28,400.00
Employer contribution compulsory housing levy	54,697	
Employer contribution to NITA	3,800	
TOTAL	7,304,480	6,381,897

5. Committee Expenses

Committee Expenses	2023-2024	2022-2023
A. NG-CDF	Kshs	Kshs
Sitting allowance	865,000	780,000
Other committee expenses	500,000	628,981
Sub-total	1,365,000	1,408,981
B. Oversight Committee Expenses		
Members allowance	700,000	
Other committee expenses	605,000	390,000
Sub-total	1,305,000	390,000
TOTAL(A+B)	2,670,000	

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6. Use of Goods and services

Description	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	36,084	12,900
Communication, supplies and services	394,650	405,113
Domestic travel and subsistence	578,500	80,000
Printing, advertising and information supplies & services	630,000	-
Rentals of produced assets	-	-
Training expenses	1,710,000	1,199,000
Hospitality supplies and services	605,000	500,000
Insurance costs	-	-
Specialised materials and services	-	870,000
Office and general supplies and services	-	250,000
Fuel , oil & lubricants	520,000	775,000
Other operating expenses	-	-
Bank Charges	21,162	9,615
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	150,000
Routine maintenance- other assets	-	-
TOTAL	4,495,396	4,251,628

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7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers to Primary Schools	6,500,000	3,000,000
Transfers to Secondary Schools	23,645,105	1,200,000
Transfers to Tertiary Institutions		15,000,000
TOTAL	30,145,105.00	19,200,000

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8. Other Grants and Other transfers

Description	2023-2024	2022-2023
	Kshs	Kshs
Bursary - Secondary (see attached list)	46,483,073	28,997,280
Bursary -Tertiary (see attached list)	20,439,000	26,215,640
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	3,000,000	2,700,000
Sports Projects (see attached list)	-	-
Environment Projects (see attached list)	-	-
Emergency Projects (see attached list)	15,900,914	1,900,000
Roads Projects	-	-
TOTAL	85,822,987	59,812,920

9. Acquisition Of Assets

<u>Non Financial Assets</u>	2023-2024	2022-2023
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of office furniture and and General Equipment	-	-

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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	-	-

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10. Other Payments

10 Other Payments	Kshs	Kshs
Strategic Plan	2,500,000.00	-
ICT Hubs	-	-
Others(specify)		-
TOTAL	2,500,000.00	-

11. Cash and Cash Equivalents

Name of Bank, Account No. & currency	2023-2024	2022-2023
	Kshs (30/6/2024)	Kshs (30/6/2023)
<i>FAMILY BANK Bank,A/C no. 088000024406, WOTE Branch . (main account)</i>	3,827,512	146,246.00
Equity Bank,A/C no.0670285286920 WOTE Branch . (deposit account)	507,724	-
	-	-
TOTAL	4,335,236	146,246

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12. Outstanding Imprests

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2024)</i>
	Date imprest taken	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
			-	-
			-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-

13. Retention

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

Retentions aging analysis.

	2023/24 FY	% of the total Retention	2022/2023 FY	% of the total Retention
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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14. Gratuity

`14 Gratuity	2023-2024	2022-2023
	KShs	KShs
Gratuity as at 1 st July (A)		
Gratuity held during the year (B)	1,026,351	2,126,840
Gratuity paid during the Year (C)	1,026,351	2,126,840
Closing Gratuity as at 30 th June D= A+B-C		-

Gratuity aging analysis

	2023/24 FY	% of the total Gratuity	2022/23 FY	% of the total Gratuity
Under one year	-	0	0	0
1-2 years	-	0	0	0
2-3 years		100	0	0
Over 3 years	-	0	0	0
Total			0	

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

15. Fund Balance B/F

	2023-2024	2022-2023
	Kshs (1/7/2023)	Kshs (1/7/2022)
Bank accounts	146,246.00	4,201,672
Cash in hand	-	-
Imprest	-	-

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TOTAL	146,246.00	4,201,672
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16. Prior Year Adjustments

	Balance b/f FY 2022/2023 as per Audited Financial statements	Adjustments	Adjusted Balance b/f FY 2023/2024
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-		-
Cash in hand	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	1,062,693.00	-	507,724
Others (specify)	-	-	-
Total	1,062,693.00	-	507,724

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

17. Changes In Accounts Receivable – Outstanding Imprests

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

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18. Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	2022-2023
	Kshs	Kshs
Gratuities and Retentions as at 1 st July (A)	-	-
Gratuities and Retentions held during the year (B)	1,534,075	-
Gratuities and Retentions paid during the Year (C)	1,026,351	-
Closing account payables D= A+B-C	507,724	-
Net changes in accounts payables D-A	507,724	-

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

Aging Analysis for Pending Accounts Payables

	2023/24FY	% of the total	2022/23 FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.2: Pending Staff Payables (See Annex 2)

	2023-2024	2022-2023

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	Kshs	Kshs
NGCDF Staff	507,724	-
Others (specify)	-	-
TOTAL	-	-

Aging Analysis for staff Payables

	2023/24FY	% of the total	2022/23 FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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19.3: Unutilized Fund (See Annex 3)

	2023-2024	2022-2023
	Kshs	Kshs
Compensation of employees	2,946,846.00	2,882,466
Use of goods and services	874,452.80	785,019
Amounts due to other Government entities (see attached list)	1,393,312.60	264,134
Amounts due to other grants and other transfers (see attached list)	73,057,931.20	31,797,625
Acquisition of assets	17,722,421.40	11,639,885
Committee Expenses	-	
Others (<i>specify</i>)	1,492,150.00	992,150
Funds pending approval		3,000,000
Total	97,487,114.00	51,361,279

19.4: PMC account balances (See Annex 5)

	2023-2024	2022-2023
	Kshs	Kshs
PMC account balances (see attached list)	8,729,892.95	347,890.00

19.5 Related Party Transactions

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

16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2024	Comments
NG-CDFC Staff				
1. YVONNE KYENGO	OFFICE CLARK	8/7/2028	9579	
2. JACKSON KIMUNDUU	DRIVER	2/1/2023	25575	
3 MARY MULANDI	SUPPOT STAFF	2/1/2023	73544	
4 CATHERINE MWOLOLO	ACCOUNTS ASSISTANT	2/1/2023	128302	
5 GEORGE MULINGE	CLARK OF WORKS	2/1/2023	76744	
6 TITUS MUTINDA	OFFICE CLARK	2/1/2023	41404	
7 JONES MUTHIANI	PROJECT CLARK	2/1/2023	40492	
8.CHARLES MULI	PROJECT CLARK	8/8/2023	112084	
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees	2,946,846.00		2,882,466	
Use of goods & services	874,452.80		785,019	
Amounts due to other Government entities	1,393,312.60		264,134	
			11,639,885	
Sub-Total				
Amounts due to other grants and other transfers	73,057,931.20		992,150	
			3,000,000	
Sub-Total			51,361,279	
Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval				
Sub-total				
Grand Total				

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	0	0	0	0
Buildings and structures	6,100,000	0	0	6,100,000
Transport equipment	4,343,000	0	0	4,343,000
Office equipment, furniture and fittings	0	0	0	0
ICT Equipment, Software and Other ICT Assets	267,500	0	0	267,500
Other Machinery and Equipment	18,005,520	0	0	18,005,520
Intangible assets		0	0	
Total	28,716,020	0	0	28,716,020

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Annex 5 –PMC Bank Balances as at 30th June 2024

PMC	Bank	Account number	Bank Balance 2023/2024 FY	Bank Balance 2022/2023FY
ENGAVU SECONDARY SCHOOL	0670295056274	EQUITY	0	0
ISOVYA PRIMARY SCHOOL	0670282938627	EQUITY	0	0
NGULUNI PRIMARY SCHOOL	0670297031220	EQUITY	2,822	2,902
NGILUNI PRIMARY SCHOOL	0670294714546	EQUITY	1,200,205	205
MUTHETHE PRIMARY SCHOOL	0670284323157	EQUITY	600,000	0
KIVAKU PRIMARY SCHOOL	0670193483834	EQUITY		
KIMWATHO PRIMARY SCHOOL	1311098259	KCb	300,000	00
Total				

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Unsupported project Expenditures	Project files are now available for verification	Resolved	
	Projects were implemented without involvement of sub-county works office in designing, preparing the bill of quantities, supervision and inspection of the projects. The audit could not confirm if the projects meet the standard requirements.	Public works officer was used to prepare all the bill of quantities and issuing of completion certificates for projects. These certificates are available in the office for verification.	Resolved	



 Name: Josefridah M Kameti
 Fund Account Manager.