

REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 27 SEP 2023

DAY:  
Wednesday

**ON**

TABLED  
BY:

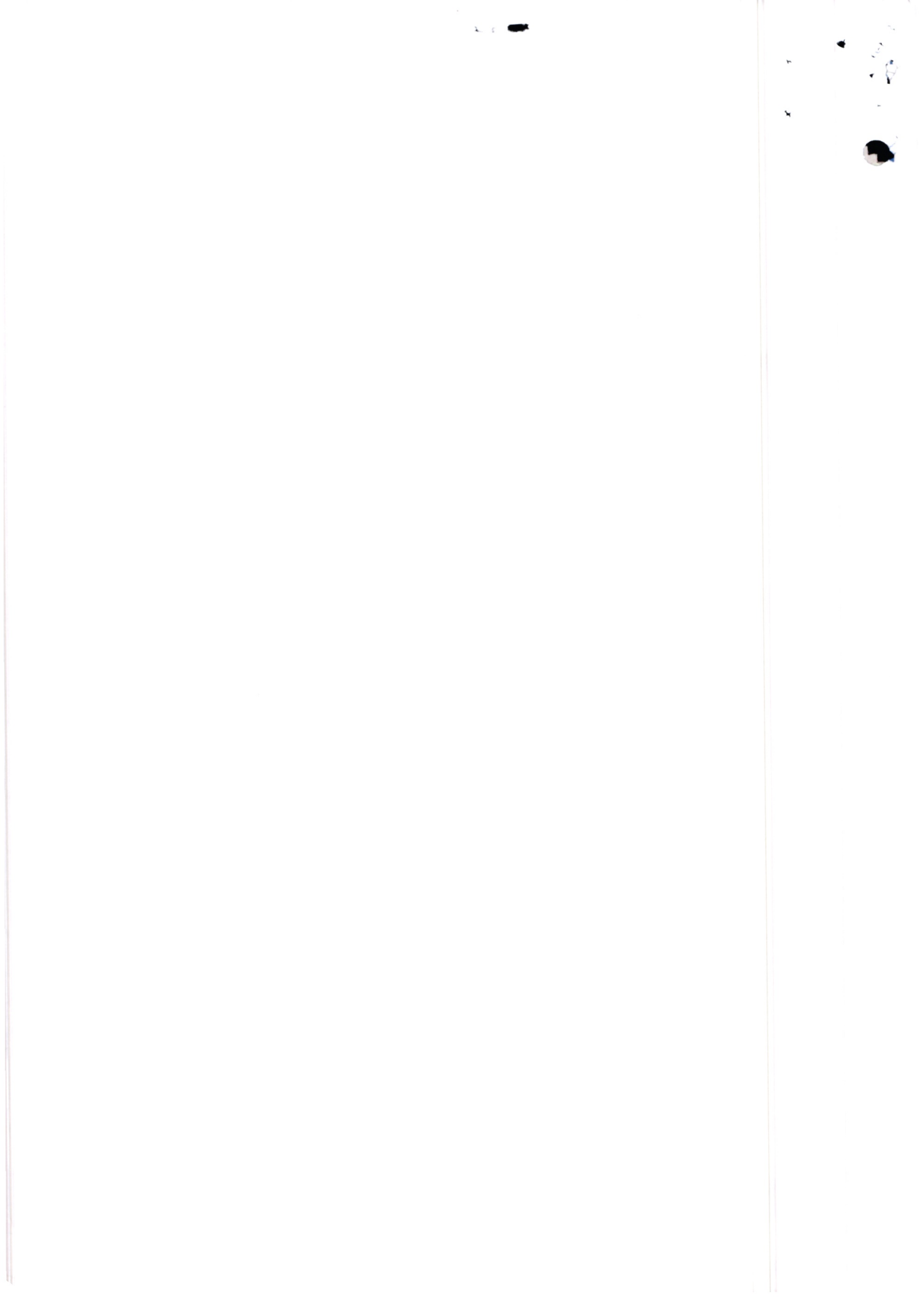
Hon. Owen Baya (Deputy Leader  
of the Majority Party)

CLERK AT  
THE TABLE:

Anne Shibuko

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

**FOR THE YEAR ENDED  
30 JUNE, 2022**





---

MATHARE CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2022

---

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

***Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022***

---

**Table of Contents**

	Page
I. Key Constituency Information and Management .....	iii
II. NG-CDFC Chairman's Report.....	vii
III. Statement of Performance against Predetermined Objectives for FY2021/22.....	x
IV. Environmental and Sustainability Reporting .....	xii
V. Statement of Management Responsibilities.....	xvi
VI. Report Of the Independent Auditors On The NGCDF- Mathare Constituency .....	xviii
VII. Statement of Receipts and Payments for the Year Ended 30th June 2022 .....	1
VIII. Statement of Assets and Liabilities As At 30 <sup>th</sup> June, 2022.....	2
IX. Statement of Cash Flows for the Year Ended 30th June 2022.....	3
X. Summary Statement of Appropriation for the Year Ended 30 <sup>th</sup> June 2022 .....	4
X. Budget Execution by Sectors and Projects for the Year Ended 30 <sup>th</sup> June 2022.....	6
XI. Significant Accounting Policies .....	11
XII. Notes to the Financial Statements .....	17

## **I. 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 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

### **Mandate**

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

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

## ***Mathare Constituency***

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

#### ***Annual Report and Financial Statements for The Year Ended June 30, 2022***

---

- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

#### **Vision**

Equitable Socio-economic development countrywide

#### **Mission**

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

#### **Core Values**

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

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

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

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

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

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Olympia Musonye
2.	Sub-County Accountant	Mugo Mbugua
3.	Chairman NGCDFC	Martin Shikuku
4.	Member NGCDFC	Mwanaisha Adhiambo

**(d) Fiduciary Oversight Arrangements**

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

**(e) Mathare Constituency NGCDF Headquarters**

P.O. Box 38670-00623  
New Deputy County Commissioner in Mabatini Ward  
Along Juja Road  
Nairobi, KENYA

**(f) Mathare Constituency NGCDF Contacts**

Telephone: (254) 0725726065  
E-mail: matharenconstituency@gmail.com  
Website: www.matharengcdf.go.ke

**(g) Mathare Constituency NGCDF Bankers**

Equity Bank Limited  
Branch: Four ways  
A/c No: 0020261806785  
P O Box 75104 - 00200  
Nairobi, Kenya

**(h) Independent Auditors**

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

II. NG-CDFC Chairman's Report

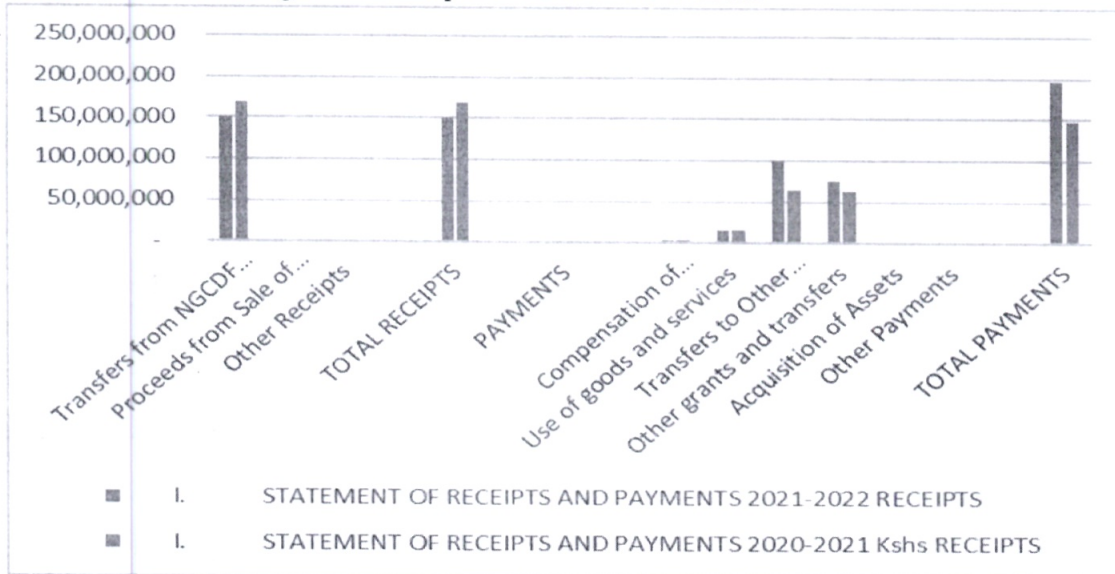


**FORWARD BY CHAIRMAN NGCDF COMMITTEE ON BUDGET PERFORMANCE**

Our NG-CDFC wishes to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. Our NG-CDF have improved the Education infrastructure, Education bursary, Sports, Environment and Security infrastructures of Mathare Constituency through the various projects that we have.

**Statement of Receipts and Payments Comparison F/Ys' 2021/2022 and 2020/2021**

The budget performance against actual performance is as follows:



Comparatively, statement of receipts and payments for the financial year 2020/2021 reflects a slightly higher value in amount against the financial year 2021/2022. However, there is higher absorption rate in financial year 2021/2022 compared to financial year 2020/2021. The variance is evident in Compensation of employees, Use of goods and services, Transfer to other government units and other grants and transfers. In the mentioned items, in the financial year 2020/2021 the management managed to transfer Kshs 3,593,490 compared to Kshs 3,750,734 in the financial year 2021/2022. The management managed to transfer Kshs 15,343,862 in the financial year 2020/2021 compared to Kshs 16,102,300 in the financial year 2021/2022 for use of goods and services. The management transferred Kshs 63,880,177 in the financial 2020/2021 as compared to Kshs 100,162,351 in the financial year 2021/2022 to transfers to other government units. The management managed to transfer Kshs 63,174,477 in the financial year 2020/2021 as compared to Kshs 75,793,310 in the financial year 2021/2022 to transfer to other grants and transfers.

**Statement of Appropriation FY 2021/2022**

As observed, the Management managed to utilize Kshs 195,808,695 against the final budget of Kshs 233,409,375. This points to 84% absorption rate. The management was not able to attain the 100% utilization rate because the funds were not disbursed on time by the board. Also, the absorption rate was affected by project change of activity which waits approval take longer time hence delaying implementation. Apart from the above-mentioned issues, there has been a good project implementation spirit within the Constituency. Some of the best practices within the constituency are hereby interpreted

**KEY ACHIEVEMENTS**

The Mathare Ng-Cdfc has been able to successfully complete the following projects and in use: -

- Kiboro Primary School 12 classrooms
- Huruma Secondary School-Administration Block and Classrooms 90% complete
- Ndururuno Primary School 12 classrooms
- Salama Primary School Perimeter wall and toilets
- St. Theresa Secondary construction of two classrooms

**Challenges and emerging issues**

*There is a challenge in the education sector this is because there are many needy students who are in need of support through the bursary fund which is never enough; this is due to lower middle income economy status within the constituency.*

.....*M*.....

MARTIN SHIKUKU  
CHAIRMAN NGCDF COMMITTEE- MATHARE

*Mathare Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2022*

III. Statement of Performance against Predetermined Objectives for FY2021/22

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 *Mathare Constituency 2018-2022* plan are to:  
*(Enumerate all the objectives of the constituency as per the Strategic Plan)*

Progress on attainment of Strategic development objectives

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

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	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	In FY 21/22 - we increased number of classrooms from 15 to 18 in the following schools/institutions Ndururuno Primary, Kiboro Primary, Huruma Secondary and St. Theresa's Secondary
Security	To ensure adequate security of life and property to Mathare residents and visitors.	Increased security	-Number of improved security facilities -Number of beneficiaries of the security	In the FY 21/22 - we increased police station, sub-county offices.

*Mathare Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2022*

			facilities	
Environment	To promote waste management	Promote waste management	Construction of Toilets in security and school facilities	In the financial 21/22 Mathare NG-CDFc has managed supply water tanks in various schools
Sports	To promote sports talent and placement.	Increased talent search and placement	Increased number of participants in sporting tournament	In the f/y 21/22 mathare NG-CDFC supported various teams with sports uniforms and assorted attires

#### IV. Environmental and Sustainability Reporting

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

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## 2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *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.*
- *NG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

## 3. Employee welfare

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

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

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

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

NGCDF has put in efforts to ensure:

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

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

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

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

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


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

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

**Public Awareness**

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

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

  
.....  
Olympia Musonye  
FAM

## V. 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-Mathare 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, 2022. 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-Mathare 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, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Mathare Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Mathare Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external

***Mathare Constituency***

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

***Annual Report and Financial Statements for The Year Ended June 30, 2022***

---

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- Mathare Constituency financial statements were approved and signed by the Accounting Officer on 19/05/ 2023.

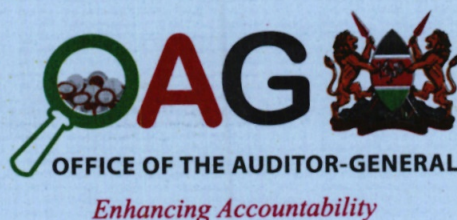


.....  
Name: Martin Shikuku  
Chairman – NGCDF Committee



.....  
Name: Olympia Musonye  
Fund Account Manager

# REPUBLIC OF KENYA



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

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

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MATHARE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

---

### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mathare Constituency set out on pages 1 to 34, which comprise of the statement of assets and liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and the summary statement of

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Mathare Constituency as at 30 June, 2022, 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 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Unsupported Bursaries**

The statement of receipts and payments and Note 7 of the financial statements reflects other grants and other transfers totalling to Kshs.75,793,310 which includes bursaries disbursed to secondary schools and tertiary institutions amounting to Kshs.40,049,280. However, the bursary schedules provided for audit totalled to Kshs.36,707,000, resulting to an unsupported variance amount of Kshs.3,342,280.

In the circumstances, the accuracy of the bursaries totalling to Kshs.40,049,280 could not be ascertained.

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

#### **Key Audit Matters**

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

#### **Other Matter**

##### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects a final expenditure budget of Kshs.253,073,438 against actual expenditure of Kshs.195,808,695, resulting in budget under-utilization of Kshs.57,264,743 or 23% of the approved budget. In addition, the Fund had an approved receipts budget of Kshs.233,409,375 but received an amount of Kshs.199,116,597, resulting in an underfunding of Kshs.34,292,778 or 15% of the budget. Further, it was observed that the Fund had an expenditure budget of Kshs.253,073,438

against a revenue budget of Kshs.233,409,375. The reason for budgeting to spend more than was to be received was not provided.

The underfunding and underperformance affected the planned activities of the Fund and may have impacted negatively on service delivery to the public.

## **2. Unresolved Prior Year Matters**

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

## **3. Lack of Ownership Documents**

Annex 4 to the financial statements reflects the summary of fixed asset register. However, excluded from the asset register are buildings and structures valued at Kshs.27,550,000 constructed by the Fund Management. Further, the ownership documents for the land where the buildings are constructed were not been provided for audit.

In the absence of ownership documents, it was not possible to confirm the Management mitigation procedures in place to prevent risk of loss the of property.

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Failure to Implement Environment and Security Projects**

In the year under review, Mathare NGCDF did not implement the environment project with a budget of Kshs.2,665,000 and a security project under Deputy County Commander Office Mabatini Ward with a budget of Kshs.4,000,000. The two projects referred to above formed part of the approved projects code list.

In the circumstances, the people of Mathare Constituency might not benefit from the services envisaged out of two projects referred to above.

#### **2. Unutilized Funds**

Annex 3 to the financial statements reflects unutilized funds amount of Kshs.37,600,6806. Management did not provide the measures put in place to address the issue of unutilized funds which is a recurring issue over the years. Failure to implement projects may lead to backlog and over rolling of projects over the years.

Under the circumstances, it was not possible to ascertain whether the Fund budget is realistic and whether it has the capacity to implement the overlapping projects.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall 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 control, 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 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance

with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

10 July, 2023


*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*


VII. Statement of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	150,625,980	168,266,117
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	24,000
<b>TOTAL RECEIPTS</b>		<b>150,625,980</b>	<b>168,290,117</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,750,734	3,593,490
Use of goods and services	5	16,102,300	15,343,862
Transfers to Other Government Units	6	100,162,351	63,880,177
Other grants and transfers	7	75,793,310	63,174,477
Acquisition of Assets	8	-	-
Other Payments	9	-	1,123,237
<b>TOTAL PAYMENTS</b>		<b>195,808,695</b>	<b>147,115,243</b>
<b>SURPLUS/DEFICIT</b>		<b>(45,182,715)</b>	<b>21,174,874</b>

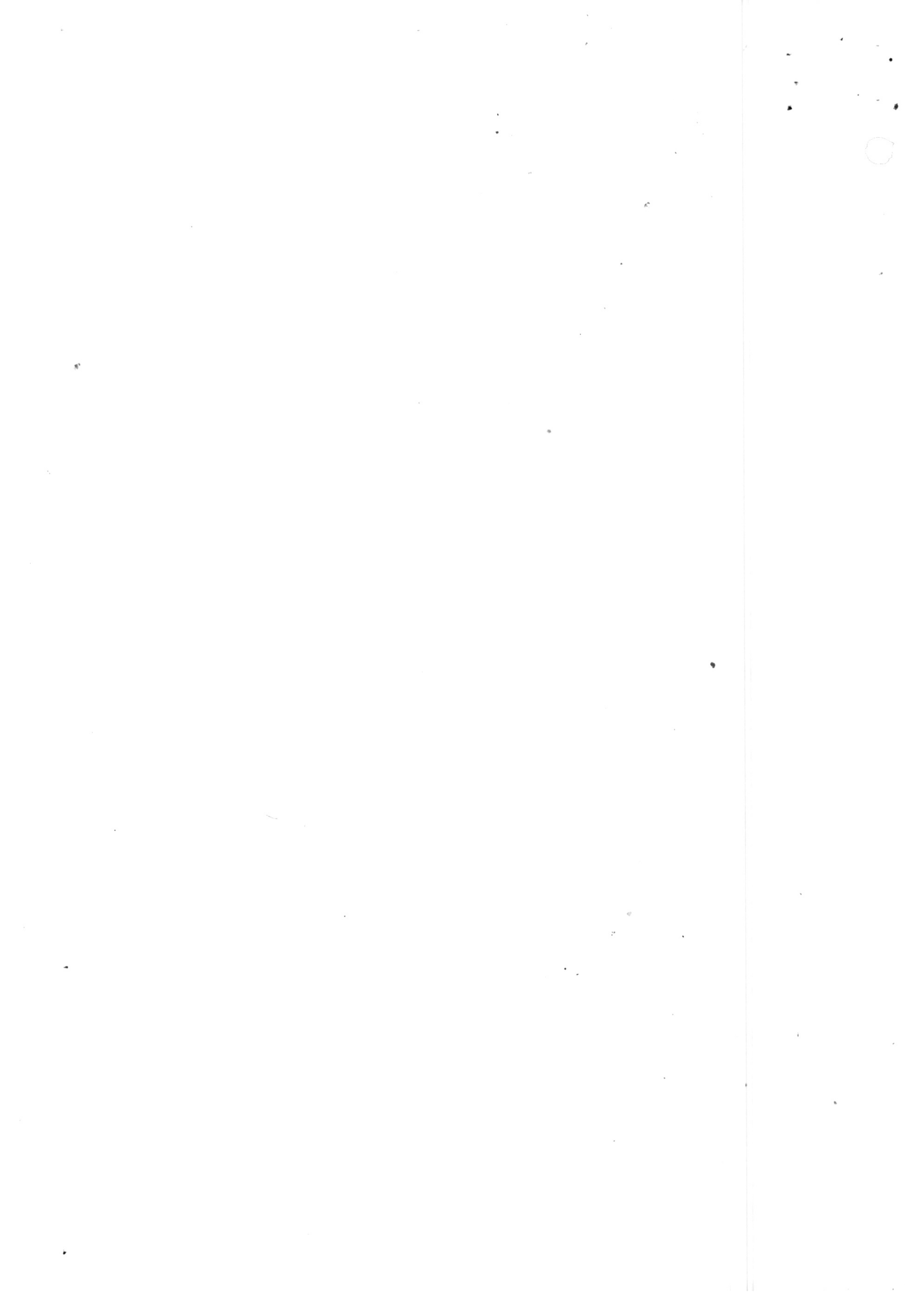
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 19/05/2023 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Committee  
Name: Olympia Musonye

  
\_\_\_\_\_  
Accountant National Sub-County  
Name: Mugo Mbugua  
ICPAK M/No: 14496

  
\_\_\_\_\_  
Chairman NG-CDF  
Name: Martin Shikuku




**Mãthare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**


VIII. Statement of Assets and Liabilities as at 30<sup>th</sup> June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	3,307,902	48,490,617
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>3,307,902</b>	<b>48,490,617</b>
Accounts Receivable			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>3,307,902</b>	<b>48,490,617</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
<b>NET FINANCIAL SSETS</b>		<b>3,307,902</b>	<b>48,490,617</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	48,490,617	27,315,743
Prior year adjustments	14	-	
Surplus/Defict for the year		(45,182,715)	21,174,874
<b>NET FINANCIAL POSITION</b>		<b>3,307,902</b>	<b>48,490,617</b>

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

The Constituency financial statements were approved on 19/05/2023 and signed by:

  
 \_\_\_\_\_  
 Fund Account Manager  
 Committee  
 Name: Olympia Musonye

  
 \_\_\_\_\_  
 National Sub-County Accountant  
 Name: Mugo Mbugua  
 ICPAK M/No: 14496

  
 \_\_\_\_\_  
 Chairman NG-CDF  
 Name: Martin Shikuku

*Mathare Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2022*

IX. Statement of Cash Flows for the Year Ended 30th June 2022


	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	150,625,980	168,266,117
Other Receipts	3	-	24,000
		<b>150,625,980</b>	<b>168,290,117</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,750,734	3,593,490
Use of goods and services	5	16,102,300	15,343,862
Transfers to Other Government Units	6	100,162,351	63,880,177
Other grants and transfers	7	75,793,310	63,174,477
Other Payments	9	-	1,123,237
		<b>195,808,695</b>	<b>147,115,243</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
	16	-	-
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		<b>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>(45,182,715 )</b>	<b>21,174,874</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(45,182,715 )</b>	<b>21,174,874</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	<b>48,490,617</b>	<b>27,315,743</b>
<b>Cash and cash equivalent at END of the year</b>		<b>3,307,902</b>	<b>48,490,617</b>

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

The Constituency financial statements were approved on 19/06/22 2023 and signed by:

  
 Fund Account Manager  
 Name: Olympia Musonye

  
 National Sub-County Accountant  
 Name: Mugo Mbugua  
 ICPAK M/No: 14496

  
 Chairman NG-CDF Committee  
 Name: Martin Shikuku

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

**X. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2022**


Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
<b>Receipts</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Transfers from NG-CDF Board	137,088,879	48,490,617	47,829,879	233,409,375	199,116,597	34,292,778	85%
Proceeds from Sale of Assets	-	-	-	-	-	-	#DIV/0!
Other Receipts	-	-	-	-	-	-	#DIV/0!
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>48,490,617</b>	<b>47,829,879</b>	<b>233,409,375</b>	<b>199,116,597</b>	<b>34,292,778.01</b>	<b>85%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,963,039	1,047,573	0	5,010,612	3,750,734	1,259,878	75%
Use of goods and services	8,283,215	7,819,085		16,102,300	16,102,300	-	100%
Transfers to Other Government Units	32,597,500	25,521,510	45,754,368	103,873,378	100,162,351	3,711,027	96%
Other grants and transfers	78,093,348	11,763,935	1,437,597	91,294,880	75,793,310	15,501,570	83%
Acquisition of Assets	-	-	545,755	545,755	-	545,755	0%
Other Payments	-	2,338,514	40,159	2,378,673	-	2,378,673	
Funds Pending Approval	14,151,777	-	52,000	14,203,777	-	14,203,777	0%
<b>TOTAL</b>	<b>137,088,879</b>	<b>48,490,617</b>	<b>47,829,879</b>	<b>233,409,375</b>	<b>195,808,695</b>	<b>37,600,680</b>	<b>84%</b>


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


*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	37,600,680
Less undisbursed funds receivable from the Board as at 30th June 2022	34,292,778
	3,307,902
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	3,307,902

The Constituency financial statements were approved on 19/05/2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Committee  
Name: Olympia Musonye

  
\_\_\_\_\_  
National Sub-County Accountant  
  
Name: Mugo Mbugua  
ICPAK M/No: 14496

  
\_\_\_\_\_  
Chairman NG-CDF  
  
Name: Martin Shikuku

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

**X. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2022**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,963,039	1,047,573	-	5,010,612	3,750,734	1,259,878
1.2 Committee allowances	1,691,310	685,690		2,377,000	2,377,000	-
1.3 Use of goods and services	2,562,464	2,244,804		4,807,268	4,807,268	
<b>Total</b>	<b>8,216,813</b>	<b>3,978,067</b>	<b>-</b>	<b>12,194,880</b>	<b>10,935,002</b>	<b>1,259,878</b>
2.0 Monitoring and evaluation						-
2.1 Capacity building	2,619,614	3,000,000		5,619,614	5,619,614	-
2.2 Committee allowances	1,000,000	1,181,908		2,181,908	2,181,908	-
2.3 Use of goods and services	409,827	706,683.0		1,116,510	1,116,510	-
<b>Total</b>	<b>4,029,441</b>	<b>4,888,591</b>	<b>-</b>	<b>8,918,032</b>	<b>8,918,032</b>	<b>-</b>
3.0 Emergency						
3.1 Primary Schools	3,363,550			3,363,550	3,363,550	-
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects	260,000	44,714		304,714	260,000	44,714

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

3.5 Unutilised	3,568,657		(566,301)	3,002,356		3,002,356
<b>Total</b>	<b>7,192,207</b>	<b>44,714</b>	<b>(566,301)</b>	<b>6,670,620</b>	<b>3,623,550</b>	<b>3,047,070</b>
<b>4.0 Bursary and Social Security</b>				-		
4.1 Secondary Schools	28,500,000		2,000,000	30,500,000	30,313,280	186,720
4.2 Tertiary Institutions	16,069,363			16,069,363	9,736,000	6,333,363
4.3 Social Security	-			-		-
4.4 Special Needs	-			-		
<b>Total</b>	<b>44,569,363</b>	<b>-</b>	<b>2,000,000</b>	<b>46,569,363</b>	<b>40,049,280</b>	<b>6,520,083</b>
<b>5.0 Sports</b>				-		-
5.1	2,741,778	2,744,728		5,486,506	5,455,480	31,026
<b>Total</b>	<b>2,741,778</b>	<b>2,744,728</b>	<b>-</b>	<b>5,486,506</b>	<b>5,455,480</b>	<b>31,026</b>
<b>6.0 Environment</b>						
Kenya Medical Training College	550,000			550,000		550,000
Kenya Medical Training College	840,000			840,000		840,000
Kenya Medical Training College	200,000			200,000		200,000
Bal b/f		232,156		232,156		232,156
Valley Bridge Primary School		140,000		140,000	140,000	-
Ndururuno Primary School		140,000		140,000	140,000	-
Daima Primary School		140,000		140,000	140,000	-
Salama Primary School		140,000		140,000	140,000	-
Huruma Primary School		140,000		140,000	140,000	-
Kiboro Primary School		140,000		140,000	140,000	-

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

ST. Theresa Primary School		140,000		140,000	140,000	-
Ndururuno Secondary School		140,000		140,000	140,000	-
ST. Theresa Secondary School		140,000		140,000	140,000	-
Old Mathare Primary School		140,000		140,000	140,000	-
Ndururuno Primary School		1,342,338		1,342,338	1,265,000	77,338
<b>Total</b>	<b>1,590,000</b>	<b>2,974,494</b>	<b>-</b>	<b>4,564,494</b>	<b>2,665,000</b>	<b>1,899,494</b>
<b>7.0 Primary Schools Projects</b>						
Daima Primary School	4,500,000			4,500,000	4,500,000	-
Huruma Primary School	1,300,000			1,300,000	1,300,000	-
Huruma Primary School	4,500,000			4,500,000	4,500,000	-
Salama Primary School	4,500,000			4,500,000	4,500,000	-
ST. Theresa Primary School	3,248,900			3,248,900	3,248,900	0
Valley Bridge Primary School		1501	11,499	13,000		13,000
ST. Theresa Primary School			(220,370)	(220,370)		(220,370)
Ndururuno Primary School		29121		29,121		29,121
Daima Primary School			28,972	28,972		28,972
Salama Primary School			28,972	28,972		28,972
Huruma Primary School			28,972	28,972		28,972
Old Mathare Primary School			28,972	28,972		28,972
Valley Bridge Primary School		28,972		28,972		28,972
ST. Theresa Primary School		251,715		251,715		251,715
Huruma Primary School		8,330,742		8,330,742	8,330,742	-
Ndururuno Primary School		5,200,000		5,200,000	5,200,000	-

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Valley Bridge Primary School		3,230,743		3,230,743	3,230,743	-
Daima Primary School		999,600		999,600		999,600
Huruma Primary School		999,600		999,600		999,600
Daima Primary School		4,239,400		4,239,400	4,239,400	-
Kiboro Primary School			23,038,650	23,038,650	22,544,750	493,900
Ndururuno Primary School			15,569,257	15,569,257	15,569,257	(0)
Huruma Primary School		1,210,515	2,230,909	3,441,424	3,441,424	-
<b>Total</b>	<b>18,048,900</b>	<b>24,521,910</b>	<b>40,745,833</b>	<b>83,316,643</b>	<b>80,605,216</b>	<b>2,711,427</b>
<b>8.0 Secondary Schools Projects</b>						-
Mathare Secondary School	4,500,000			4,500,000	4,500,000	-
Ndururuno Secondary School	4,500,000			4,500,000	4,500,000	-
Huruma Mixed Secondary School	5,548,600	-	5,008,535	10,557,135	10,557,135	-
Huruma Mixed Secondary School		999,600.00		999,600		999,600
<b>Total</b>	<b>14,548,600</b>	<b>999,600</b>	<b>5,008,535</b>	<b>20,556,735</b>	<b>19,557,135</b>	<b>999,600</b>
<b>9.0 Tertiary institutions Projects</b>				-		-
						-
<b>Total</b>	-		-	-	-	-
<b>10.0 Security Projects</b>				-		-
Deputy C. C.Office-Mabatini Ward	4,000,000			4,000,000		4,000,000
Huruma Police Station	18,000,000			18,000,000	18,000,000	-
Mabatini Deputy C C.Office			3,898	3,898		3,898

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Huruma Police Post		1,000,000		1,000,000	1,000,000	-
Huruma Police Post		3,000,000		3,000,000	3,000,000	-
Mathare Deputy C C Office		2,000,000		2,000,000	2,000,000	-
<b>Total</b>	<b>22,000,000</b>	<b>6,000,000</b>	<b>3,898</b>	<b>28,003,898</b>	<b>24,000,000</b>	<b>4,003,898</b>
<b>11.0 Acquisition of assets</b>				-		-
Construction of NG-CDF office-Mathare	-		11,947	11,947		11,947
Construction of NG-CDF office-Mabatini	-	-	533,808	533,808	-	533,808
<b>Total</b>	-	-	<b>545,755</b>	<b>545,755</b>		<b>545,755</b>
<b>12.0 Other payments</b>				-		-
Strategic Plan			20,000	20,000		20,000
Innovation Hub-NGCDF Hall 4B			20,159	20,159		20,159
Innovation Hub-Huruma Sec Sch.		1,169,257		1,169,257		1,169,257
Innovation Hub-Ngei Chiefs Camp		1,169,257		1,169,257		1,169,257
Mathare DCC office						
<b>Total</b>		<b>2,338,514</b>	<b>40,159</b>	<b>2,378,673</b>	-	<b>2,378,673</b>
<b>13.0 unallocated fund</b>						
Unapproved projects	14,151,777			14,151,777		14,151,777
AIA			52,000	52,000		52,000
PMC savings				-		
<b>Total</b>	<b>14,151,777</b>	-	<b>52,000</b>	<b>14,203,777</b>	-	<b>14,203,777</b>
	<b>137,088,879</b>	<b>48,490,617</b>	<b>47,829,879</b>	<b>233,409,376</b>	<b>195,808,695</b>	<b>37,600,681</b>

## **XI. Significant Accounting Policies**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

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

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

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

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash 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 insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

*Significant Accounting Policies continued*

**14. Errors**

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

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

**15. Related Party Transactions**

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

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**XII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO.B 105206	27,688,879	
AIE NO.B 105663	44,000,000	
AIE NO.B 105866	22,000,000	
AIE NO.B 128617	5,000,000	
AIE NO.B 128930	12,000,000	
AIE NO.B 154127	12,000,000	
AIE NO.B 164358	18,000,000	
AIE NO.B 155889	9,937,101	
AIE NO.B 104974		2,533,707
AIE NO. B 047612		58,895,981
AIE NO. B 124772		2,000,000
AIE NO. B 124810		7,105,687
AIE NO. B 124860		8,330,742
AIE NO. B 119567		8,500,000
AIE NO. B 119958		13,000,000
AIE NO. B 128199		6,900,000
AIE NO. B 129161		10,000,000
AIE NO. B 132254		6,000,000
AIE NO. B 138923		12,000,000
AIE NO. B 126216		9,000,000
AIE NO. B 140654		11,000,000
AIE NO. B 105011		13,000,000
<b>TOTAL</b>	<b>150,625,980</b>	<b>168,266,117</b>

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**2. Proceeds from Sale of Assets**

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
<b>Total</b>	-	-

**3. Other Receipts**

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	24,000
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	-	24,000

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

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

**4. Compensation of Employees**

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,628,391	2,718,409
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	996,193	745,016
Employer Contributions Compulsory national social security schemes	126,150	130,065
<b>Total</b>	<b>3,750,734</b>	<b>3,593,490</b>

**5. Use of Goods and Services**

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	-	9,450
Electricity	-	115,027
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	90,900	120,235
Domestic travel and subsistence	181,900	180,019
Printing, advertising and information supplies & services	1,077,598	603,812
Rentals of produced assets		-
Training expenses	5,865,100	6,141,950
Hospitality supplies and services	761,522	699,600
Other committee expenses	3,717,400	2,410,000
Commitee allowance	2,377,000	2,136,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	931,550	1,495,011
Fuel , oil & lubricants	-	-
Other operating expenses	-	-
Bank service commission and charges	407,200	683,140
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	69,600	186,200
Routine maintenance- other assets	622,530	563,418
<b>TOTAL</b>	<b>16,102,300</b>	<b>15,343,862</b>

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

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

**6. Transfer to Other Government Units**

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	80,605,216	21,594,091
Transfers To Secondary Schools (See Attached List)	19,557,135	42,286,086
Transfers To Tertiary Institutions (See Attached List)	-	-
<b>Total</b>	<b>100,162,351</b>	<b>63,880,177</b>

**7. Other Grants and Other transfers**

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	30,313,280	25,649,500
Bursary – tertiary institutions (see attached list)	9,736,000	29,863,400
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	24,000,000	3,219,591
Sports projects (see attached list)	5,455,480	2,746,700
Environment projects (see attached list)	2,665,000	-
Emergency projects (see attached list)	3,623,550	1,695,286
<b>Total</b>	<b>75,793,310</b>	<b>63,174,477</b>

**8. Acquisition Of Assets**

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

**9. Other Payments**

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	1,123,237
ICT Hub		-
	-	1,123,237

**10: Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
<b>10A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank, Fourways Branch Mathare NG-CDF Account No. A/C no.0020261806785</i>	3,307,902	48,490,617
<b>Total</b>	<b>3,307,902</b>	<b>48,490,617</b>
<b>10 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>		

**11: Outstanding Imprests**

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

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

---

**Notes to the Financial Statement Continued**

**12A. Retention**

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

[Provide short appropriate explanations as necessary.]

**12B. Gratuity**

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

**13. Balances Brought Forward**

	2021-2022 (1 <sup>st</sup> July 2021)	2020-2021 (1 <sup>st</sup> July 2020)
	Kshs	Kshs
Bank accounts	48,490,617	27,315,743
Cash in hand		
Imprest		
Total	48,490,617	27,315,743

**14. Prior Year Adjustments**

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	48,490,617		48,490,617
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	<b>48,490,617</b>	<b>-</b>	<b>48,490,617</b>

**15. Changes in Accounts Receivable – Outstanding Imprests**

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A	-	-

**16. Changes in Accounts Payable – Deposits and Retentions**

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Changes in Accounts Payable E= D-E	-	-

*Māthare Constituency*  
*Nātional Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2022*

*Notes to the Financial Statements (Continued)*

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	xx	xxx
Others ( <i>specify</i> )	xx	xxx
<b>Total</b>	<b>xx</b>	<b>xxx</b>

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	1,259,878	1,047,573
Use of goods and services	-	(7,526,696)
Amounts due to other Government entities (see attached list)	3,711,027	66,267,343
Amounts due to other grants and other transfers (see attached list)	15,501,570	13,891,787
Acquisition of assets	545,755	2,152,948
Other payments	2,378,673	2,463,542
Funds pending approval	14,203,777	18,024,000
<b>Total</b>	<b>37,600,680</b>	<b>96,320,497</b>

*Mathare Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2022*

---

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	52,335,157	41,985,932
Total	52,335,157	41,985,932

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

**Annexes**

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
<b>Construction of buildings</b>					
1.					
2.					
3.					
<b>Sub-Total</b>					
<b>Construction of civil works</b>					
4.					
5.					
6.					
<b>Sub-Total</b>					
<b>Supply of goods</b>					
7.					
8.					
9.					
<b>Sub-Total</b>					
<b>Supply of services</b>					
10.					
<b>Sub-Total</b>					
<b>Grand Total</b>					

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

---

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
NG-CDFC Staff				
	Accounts Assistant	1st July 2019	93,000	Accrued Gratuity January 2022 to June 2022
Grand Total			93,000	

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Annex 3 – Unutilized Fund

Compensation of employees		1,259,878	1,047,573	
Use of goods & services		-	(7,526,696)	
<b>Sub-Total</b>		<b>1,259,878</b>	<b>(6,479,123)</b>	
<b>Amounts due to other Government entities</b>				
Valley Bridge Primary School		13,000	13,000	
ST.Theresa Primary School		(220,370)	(220,370)	
Ndururuno Primary School		29,121	29,121	
Daima Primary School		28,972	28,972	
Salama Primary School		28,972	28,972	
Huruma Primary School		28,972	28,972	
Old Mathare Primary School		28,972	28,972	
Valley Bridge Primary School		28,972	28,972	
ST.Theresa Primary School		251,715	251,715	
Huruma Primary School		-	8,330,742	
Nduruno Primary School		-	5,200,000	
Valley Bridge Primary School		0	3,230,743	
Daima Primary School		999,600	999,600	

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Huruma Primary School		999,600	999,600	
Daima Primary School		-	4,239,400	
Kiboro Primary School		493,900	23,038,650	
Ndururuno Primary School		(0)	15,569,257	
Huruma Primary School		(0)	3,441,424	
Huruma Mixed Secondary School			5,008,535	
Huruma Mixed Secondary School		999,600	999,600	
<b>Sub-Total</b>		<b>3,711,027</b>	<b>71,275,878</b>	
<b>Amounts due to other grants and other transfers</b>				
Emergency Reserve		3,047,070	(521,587)	
Bursary		6,520,083	(2,318,282)	
Sports		31,026	2,744,728	
<b>Sub-Total</b>			(95,141)	
<b>Environment</b>				
Kenya Medical Training College		550,000		
Kenya Medical Training College		840,000		
Kenya Medical Training College		200,000		
Balance B/F		232,156	232,156	
Valley Bridge Primary School			140,000	
Ndururuno Primary School			140,000	
Daima Primary School			140,000	
Salama Primary School			140,000	
Huruma Primary School			140,000	

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Kiboro Primary School			140,000	
ST.Theresa Primary School			140,000	
Ndururuno Secondary School			140,000	
ST.Theresa Secondary School			140,000	
Old Mathare Primary School		-	140,000	
Ndururuno Primary School		77,338	1,342,338	
<b>Sub-Total</b>				
<b>Security</b>				
Deputy C. C.Office-Mabatini Ward		4,000,000	-	
Mabatini Deputy C C.Office		3,898	3,898	
Huruma Police Post		-	1,000,000	
Huruma Police Post		-	3,000,000	
Mathare Deputy C C Office		-	2,000,000	
<b>Sub-Total</b>		<b>15,501,570</b>	<b>8,883,251</b>	
Acquisition of assets				
Construction of NG-CDF office-Mathare		11,947	11,947	
Construction of NG-CDF office-Mabatini		533,808	2,141,001	
<b>Sub-Total</b>		<b>545,755</b>	<b>2,152,948</b>	
Other payments				
Strategic Plan		20,000	20,000	
Innovation Hub-NGCDF Hall 4B		20,159	20,159	

**Mathare Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

Innovation Hub-Huruma Sec Sch.		1,169,257	1,169,257	
Innovation Hub-Ngei Chiefs Camp		1,169,257	1,169,257	
Mathare DDC Office			84,870	
<b>Sub-Total</b>		<b>2,378,673</b>	<b>2,463,543</b>	
<b>Funds pending approval</b>		<b>14,203,777</b>	<b>18,024,000</b>	
<b>Grand Total</b>		<b>37,600,680</b>	<b>96,320,497</b>	

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

---

Annex 4 – Summary of Fixed Asset Register

Land	-	-	-	-
Buildings and structures	27,550,000	-	-	27,550,000
Transport equipment	4,650,495	-	-	4,650,495
Office equipment, furniture and fittings	246,631	-	-	246,631
ICT Equipment, Software and Other ICT Assets	298,631	-	-	298,631
Other Machinery and Equipment	20,889,505			20,889,505
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>53,6355,262</b>	<b>-</b>	<b>-</b>	<b>53,6355,262</b>

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022

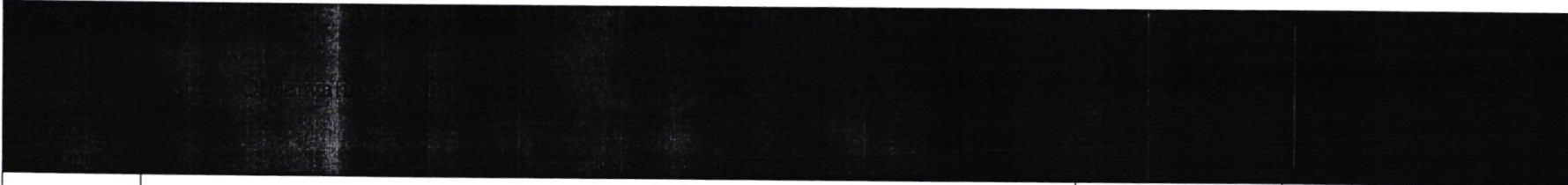
			2021/2022	2020/2021
HURUMA AP CAMP PMC	Equity	1770277747669	43,430	562,292
HURUMA POLICE STATION PMC	Equity	1770278516658	18,128,414	128,414
HURUMA SCHOOL PMC - ST THERESA	Equity	1770277480671	3,835,486	586,586
HURUMA SECONDARY PMC	Equity	1770277613205	1,276,990	39,405,970
KIBORO DEVELOPMENT PMC	Equity	1770277480709	7,811	12,677
KIBORO PRIMARY SCHOOL 18 PMC	Equity	0020279744805	831,967	1,167,147
NDURURUNO PRIMARY PMC	Equity	1770278214169	9,158	22,861
OLD MATHARE SECONDARY PMC	Equity	1770277748538	666	666
SALAMA PRIMARY PMC	Equity	1770279835038	4,573,336	73,920
VALLEY BRIDGE PRIMARY PMC	Equity	1770277755789	354,804	25,400
HURUMA PRIMARY PMC	Equity	1770280726375	17,572,166	-
DAIMA PRIMARY SCHOOL CDF PMC	Equity	1770282597421	5,700,930	-
<b>Total</b>			<b>52,335,157</b>	<b>41,985,932</b>

*Mathare Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2022*

---

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.




*Olympia Musonye* .....  
Name  
Fund Account Manager.

