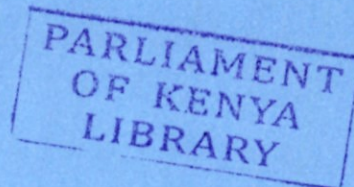


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 08 AUG 2024	DAY: THUR
TABLED BY: HON. KIMANI KICHUWA	L.O.M.
CHECK-AT TABLE:	WILLIS OBIRO

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KURIA EAST CONSTITUENCY**

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



KURIA EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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*Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-

FY-Financial Year

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- 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 Kuria East 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)

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Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Salome Miruka
2.	Sub-County Accountant	Joel Patrick Opondo
3.	Chairman NGCDFC	Sickler Chacha Omari
4.	Member NGCDFC	John Chacha Chacha

(c) Fiduciary Oversight Arrangements

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

(d) Kuria East Constituency NGCDF Headquarters

P.O. Box 7-40413
NGCDF Building
Kuria East sub county Headquarter Road
KEGONGA, KENYA

(e) Kuria East Constituency NGCDF Contacts

Telephone: (254) 0712755708
E-mail: cdfkuriaeast@ngcdf.go.ke
Website: www.cdf.go.ke

(f) Kuria East Constituency NGCDF Bankers

Kenya Commercial Bank
Account No.1147942986
Kehancha Branch

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

Kuria East Constituency
National Government Constituencies Development Fund (NGCDF)
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III. NG-CDFC Chairman's Report



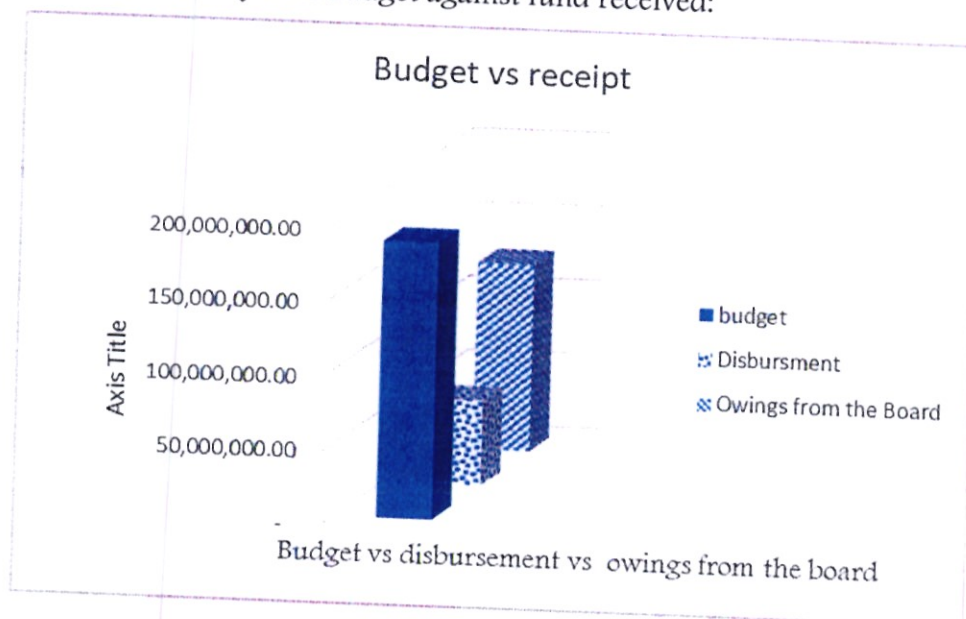
Sickler Chacha Omari- Chairperson
Kuria East Constituency NG-CDF

Kuria East Constituency is one of the eight (8) constituencies in Migori County and within the former Nyanza Province situated 30 kilometres from Migori town. It's among the newly created Constituencies under the 2010 Constitution of Kenya and has a population of approximately 113,000. Kuria East constituency has 5 wards as follows: Gokeharaka/Getamwega, Ntimaru West, Ntimaru East, Nyabasi East and Nyabasi West.

Guided by the vision of Kuria East Constituency, which is to be a leading Constituency in the effective and efficient management of the devolved funds.

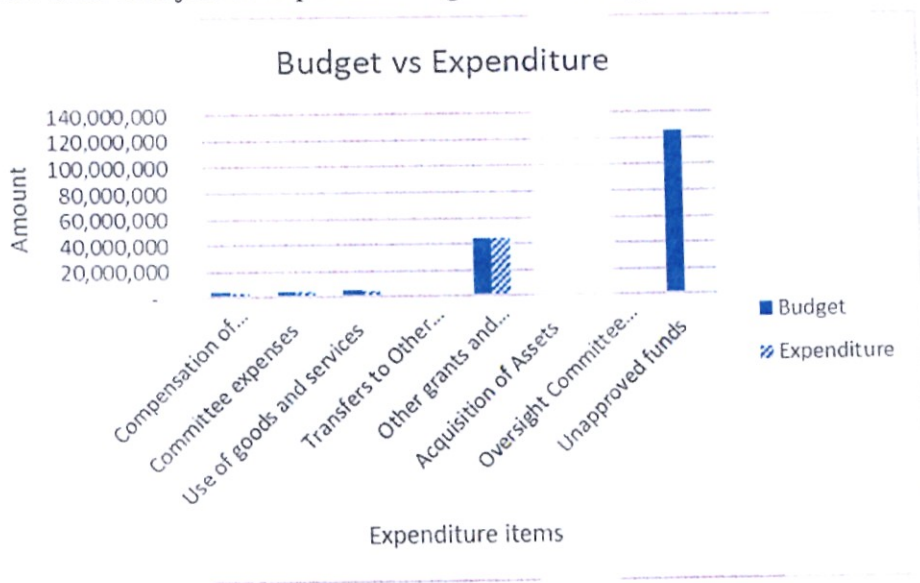
- The Kuria East NG-CDF was allocated Kshs. 145 million in financial 2022/2023 and 3.6 million was brought forward from the previous financial years. The budget for the year was Kshs.186 Million. During the F/Y under review, Kshs. 57 million was disbursed to the constituency. A balance of Kshs. 128 million is due from the Board.

Below is an analysis of budget against fund received:



- The performance during the year was not so good since 69 % of the anticipated funds were not received and the 31% came in the third and fourth quarter of the financial year.

Below is an analysis of expenditure against the budget:



Key achievements

The Kuria East NG-CDF has continued to implement various projects in a well-organized and coordinated manner that follows clearly set performance indicators and period, under each of the national functions priorities namely: education infrastructure and bursary, security, sports, environment through equity and sustainable development in poverty eradication at community level.

The Key achievements have been access to quality and equal opportunity in education by giving bursaries to the less fortunate students both in secondary and tertiary level, the NG-CDFC was able to award bursaries students both in secondary and tertiary level.

Infrastructure in the public primary and secondary school vs dormitories, classrooms, administration block, toilets is underway, hence creating a conducive working environment for both students and teachers and boosts morale and general education standards of the schools; security projects of various police stations have also been constructed, renovated and this has given our security team a conducive working environment and also improved security.



FIG 1: PUBLIC PARTICIPTION



FIG 2: ISSUING OF BURSARY



FIG 3: SPORTS TOURNAMENT



FIG 4: ACC's CHINATO OFFICE RENOVATION

EMERGING ISSUES

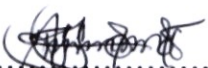
The high cost of living has made a bigger percentage of the population not able to pay school fees for their children hence increase in the demand for bursary.

Challenges

- Despite the fact that we have continuously improved the school infrastructure, we have not been able to sustain the Increasing population and it means strain in the public facilities.

Recommendations

- The board to formulate various effective way that will enhance delivery of bursary and receipt of acknowledgement thereof. Increase the allocation of the budgets to enhance massive improvement in school infrastructure.


.....

Name: SICKLER CHACHA OMARI
CHAIRMAN NGCDF COMMITTEE

Kuria East Constituency
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IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

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 NG-CDF Kuria East Constituency 2018-2022 plan are to:

1. Undertake development planning and strategic budgeting in order to support economic growth, increased wealth creation and employment generation by supporting education, security, environmental and sports activities
2. Ensure sound financial management by ensuring prudent allocation of public funds to project management committees under this program
3. Enhance accountability to increase efficiency and effectiveness in resource utilization;
4. Enhance public participation in identification of projects at the ward levels
5. Enhancing and supporting Local capacity in development and implementation of projects
6. Increasing access for greater financial inclusiveness and considering the marginalized categories in development agenda

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:

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 2022/23 -we were not able to do any construction due to financial challenges however, we did some toilets under emergency and we issued bursary to needy. Bursary beneficiaries were 3719 secondary school students, 566 tertiary school students, and 492 university students.
Security	Equip, facilitate and enhance capacity of provincial administration	Develop and enhance provincial administration and other security	Number of usable physical infrastructure built in locations, sub locations and police stations	In this financial year there were no security project implemented

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	and other security organs in order to improve service delivery	organs infrastructure to enhance service delivery																
Environment	conserved environment through natural resources conservation initiatives	Curb shortage of water	Number of water tanks supplied and gutter systems installed	In this financial year there were no environmental project implemented														
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports kits, balls and trophies football teams participated in tournament	In this financial year there were able to participate in sports tournament where 40 participated. We issued the teams with sports kits, balls and trophies														
Emergency	Mitigate on any unforeseen occurrence in the constituency	Better learning environment for students	Number of projects with better toilets	We have build toilets in Several institutions namely: <table><tr><td>Igena Itambe Secondary school</td></tr><tr><td>Nyamanche Primimary school</td></tr><tr><td>Nyamotambe Primary school</td></tr><tr><td>Nguruna Secondary school</td></tr><tr><td>Maeta Primary school</td></tr><tr><td>Nyaroha primary school</td></tr><tr><td>Kegonga DCC Office</td></tr><tr><td>Komotobo Special School</td></tr><tr><td>Gibarori Primary school</td></tr><tr><td>Ntimaru DO's Residence</td></tr><tr><td>Bokorankomu Primary School</td></tr><tr><td>Gukuhiru Primary school</td></tr><tr><td>National Treasury Kuria East</td></tr><tr><td>Kugitimo Mixed Secondary</td></tr></table>	Igena Itambe Secondary school	Nyamanche Primimary school	Nyamotambe Primary school	Nguruna Secondary school	Maeta Primary school	Nyaroha primary school	Kegonga DCC Office	Komotobo Special School	Gibarori Primary school	Ntimaru DO's Residence	Bokorankomu Primary School	Gukuhiru Primary school	National Treasury Kuria East	Kugitimo Mixed Secondary
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Gukuhiru Primary school																		
National Treasury Kuria East																		
Kugitimo Mixed Secondary																		

V. Statement of Governance

Appointment of National Government Constituency Development Fund Committee

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each Constituency Committee shall comprise of—
 - (a) the national government official responsible for co-ordination of national government functions;
 - (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
 - (c) Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;
 - (d) one persons with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
 - (e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
 - (f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
 - (g) One member co-opted by the Board in accordance with Regulations made by the Board.
- (3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettment by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.
- (7) The quorum of the Constituency Committee shall be one half of the total membership.

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

(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

(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.

In accordance with the National Government Constituencies Development Fund act, Kuria East NG-CDF advertised for the post of NGCDFC detailing the necessary requirements where several applicants showed interest for the same by forwarding their applications.

Vetting of the submitted application letters was done critically by a select committee, which was created for the purpose. Successful applicants were thereafter contacted for an interview session, which was scheduled at a later date.

The interviews were conducted and in accordance with section 43(3) of the NGCDF Act, the names of the successfully selected individuals were forwarded to the board together with the names forwarded by the DCC and the constituency manager. The names were forwarded to the board for gazettment. The board submitted to the national assembly for approval and the new committee were gazetted on 9th December 2022, Serial No. Vol. CXXIV- No.266. The first meeting was held on 9/12/2022.

Removal Of NG-CDFC Members

The removal of National Government Constituencies Development Fund Committee (NG-CDFC) members in Kenya can occur under certain circumstances and is as outlined in section 43 (13) of the National Government Constituencies Development Fund Act, 2015. A member of constituency committee may be removed from office on any one or more of the following grounds:

- Serious violation of the constitution or any other law a contravention of chapter six.
- Lack of integrity.
- Gross Misconduct or Incompetence.

- Embezzlement of public funds.
- Bringing the committee into disrepute through un becoming personal public conduct.
- Promoting unethical practices.
- Causing disharmony withing the committee.
- Physical or mental infirmity.
- Bankruptcy.

A decision to remove a member shall be made through a resolution of at least 5 members of the committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of removal of a member shall be filled in the manner set out in section 10 and minutes of the meeting shall indicate the fact of the removal or appointment of a member. In Kuria East NG-CDF members had to leave office due to end of term and not of misconduct.

Roles And Functions of NG-CDFC

The functions of a Constituency Committee shall be to;-

1. build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
2. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
3. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
4. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
5. Consult with relevant government departments to ensure that cost estimates for projects are realistic in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects
6. Rank projects proposals in order of priority while ensuring that on-going projects take precedence
7. Ensure that all projects receive adequate funding and are completed within three years
8. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board

9. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the board
10. Ensure that project reports are prepared and submitted to the board
11. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects.

Induction And Training of NG-CDFC Members

The training of members of a National Government Constituency Development Fund Committee (NG-CDFC) typically involves a combination of orientation, capacity building, and ongoing support. The NG-CDFC is responsible for overseeing the allocation and utilisation of funds allocated to constituencies for development projects, and their members need to have a good understanding of their roles and responsibilities. Kuria East NG-CDFC members were inducted on 28th April to 2nd May 2023 at Starbucks Hotel, Eldoret by NG-CDF Board on the following issues; -Orientation, Legal and Regulatory Framework, Financial Management, Project Management Community Engagement Ethics and Integrity Conflict Resolution Monitoring and Evaluation Communication Skills.

Number Of Meeting in A Year

NG-CDF Act stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings. In the financial year 2022-2023, Kuria East NG-CDFC held fifteen meetings.

Policy On Conflict of Interest

NG-CDF Act specifies clearly that any member with an interest in the fund shall not participate in a meeting deliberation and shall withdraw from such a meeting. NG-CDF Kuria East did not have any occurrence on conflict of interest

Remuneration of members

NG-CDFC members do not earn a salary but are allowed to be paid a sitting allowance when they conduct meetings. The chairman is paid Ksh 7,000 and the other members Ksh 5,000 per sitting as per guiding circular issued by the NG-CDF board.

Risk Management

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

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- Set the organization's risk appetite and tolerance levels. This means determining how much risk the organization is willing to take in order to achieve its goals.
- Review and approve the organization's risk management framework and policies. This framework should define how the organization identifies, assesses, and manages risks.
- Oversee the implementation and effectiveness of the organization's risk management process. This includes monitoring the risks that the organization faces, assessing the effectiveness of the controls in place to manage those risks, and making recommendations for improvement.
- Report to the board of directors on the organization's risk management activities. This includes providing information on the organization's risk profile, the effectiveness of its risk management process, and any significant risks that the organization is facing.

Ethics and code of conduct

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

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Kuria East 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

- Kuria East undertakes installation of gutters and the purchase of water tanks to enable the storage and preservation of water.
- When the constituency do sports tournament and barazas there youth/ community are always sensitized on the impact of drugs

3. Employee welfare

We invest in providing the best working environment for our employees. Kuria East 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 performance gender rule and special groups. We also Recognize and appreciate of our employees for exemplary. The reward and sanctions system are 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. Kuria East 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-

Kuria East 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-

Kuria East 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.

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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.

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

.....
Name: SALOME OGWECHO MIRUKA
Fund Account Manager.

VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Kuria East 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, 202X. 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-Kuria East Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kuria East 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.

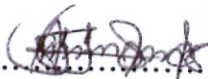
The Accounting Officer in charge of the NGCDF Kuria East Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used 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

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

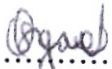
prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Kuria East Constituency financial statements were approved and signed by the Accounting Officer on 19/09/2023 2023.


.....

Name: SICKLER CHACHA OMARI
Chairman – NGCDF Committee


.....

Name: SALOME OGWECHO MIRUKA
Fund Account Manager

REPUBLIC OF KENYA



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

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 the National Government Constituencies Development Fund - Kuria East Constituency set out on pages 1 to 46, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the

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 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 the National Government Constituencies Development Fund - Kuria East Constituency as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Bursary Disbursements

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects other grants and transfers amount of Kshs.43,926,039. Included in the amount are payments in respect of bursaries to secondary schools of Kshs.19,625,850. However, review of records and documents relating to bursaries revealed that minutes or report of the Bursary Vetting Sub-Committee showing the criteria used to select the beneficiaries and the beneficiaries selected, and minutes of the Constituency Committee approving the report of the Sub-Committee were not provided for audit. Further, acknowledgement letters or receipts from secondary schools in respect of bursaries totalling Kshs.14,100,850 were not provided for audit confirmation.

In the circumstances, the accuracy and completeness of the expenditure on other grants and transfers amounting to Kshs.43,926,039 could not be confirmed.

2. Unsupported Project Management Committee Balances

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance totalling Kshs.5,534,783. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.5,534,783 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kuria East 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.

Emphasis of Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis amounts of Kshs.186,324,462 and Kshs.60,647,980 respectively, resulting to underfunding of Kshs.125,676,482, or 67% of the budget. However, the Fund spent a balance of Kshs.57,700,676 against actual receipt of Kshs.60,647,980 resulting to under-utilization by Kshs.2,947,304 or 5% of actual receipts.

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

2. Late Disbursement of Funds

The statement of receipts and payments reflects transfers from the Board of Kshs.57,000,000 which included an amount of Kshs.12,000,000 received by the Fund on 04 June, 2023. Further, other transfers from the Board of Kshs.8,000,000 and Kshs.12,088,879 were received on 04 August, 2023. The funds related to the budgets for the financial years 2018/2019 and 2020/2021 respectively.

In the circumstances, late transfer of funds adversely affect implementation of planned activities and projects.

My opinion is not modified in respect of these matters.

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

Unresolved Prior Year Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report. I confirm that nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Transfers to Other Government Units

The statement of receipts and payments reflects transfers to Other Government Units amount of Kshs.1,592,246 as disclosed in Note 7 to the financial statements. However, the following unsatisfactory matters were noted:

1.1 Stalled Projects

The amount of Kshs.1,592,246 included transfers to primary schools amounting to Kshs.1,092,246 out of which, an amount of Kshs.600,000 was paid to a Primary School Project Management Committee, being part-payment of the contract sum of Kshs.37,000,000. However, the ownership documents for the parcel of land on which the project is situated was not provided for audit. Further, physical verification of the project in the month of March, 2024 revealed that the project had stalled.

In the circumstances, value for money of the expenditure of Kshs.600,000 could not be confirmed.

1.2 Failure to Approve Projects Code List

During the year under review, the National Government Constituencies Development Fund Board did not approve the planned projects for implementation forwarded by the Fund's Management. This was due to re-allocation of funds without the Board's approval for projects not within the prior year project code list. This was contrary to Section 40 of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which stipulates that the Board shall ensure that the list of projects forwarded to it by each Constituency is, upon approval, funded in accordance with the Act.

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

2. Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers balance of Kshs.43,926,039 as disclosed in Note 8 to the financial statements. However, the following unsatisfactory matters were noted:

2.1 Irregularities in Construction of the Deputy County Commissioner's Residence

The amount of Kshs.43,926,039 includes security projects amounting to Kshs.4,000,000 out of which, an amount of Kshs.2,000,000 was in respect of completion of outstanding works on the construction of Deputy Commissioner's residence. However, review of documents relating to security projects expenditure provided for audit and physical verification of the project in the month of 14 March, 2024 revealed the following anomalies:-

- i. Certificate for Kshs.2,000,000 from the contractor was approved for payment by the Sub-County Works Officer on 20 February, 2022 and eventually settled on the 15 February, 2023. However, evidence of inspection and handover of the project to the users was not provided for audit.
- ii. The ceiling was poorly done, with most sections revealing leakage and paintwork was not well done.
- iii. Although, the Bill of Quantities (BQ) provided for gutters around the roof, the gutters were actually fixed to only a section of the roof.
- iv. 3,000 litres and a 2,000 litres water tanks were supplied instead of the 10,000 litres and 5,000 litres tanks indicated in the Bill of Quantities.
- v. Although the contractor had been paid in full, the building had not been put to the intended use and appeared neglected and abandoned, with overgrown grass in the compound.

In the circumstances, value for money for the expenditure of Kshs.2,000,000 could not be confirmed.

2.2 Non-Compliance with the Law on Implementation of Emergency Projects

The amount of Kshs.43,926,039 includes an expenditure on emergency projects of Kshs.7,636,189. However, evidence that the utilization of the emergency reserve fund was reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 was not provided for audit.

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

3. Non-Compliance with the Law on Composition of Bursary Committee

The Bursary Vetting Committee appointed to serve during the year under review did not include the Officer-In-Charge of education in the Sub-County. This was contrary to provisions of Guideline (b) of Constituencies Development Fund Board Circular dated 18 June, 2020 which requires the Bursary Vetting Sub-Committee to consist of the Officer-In-Charge of education in the Sub-County, the Officer of the Board seconded to the Constituency who shall be the secretary to the Committee and at least two (2) but not more than four (4) members drawn from the NG-CDF Committee, excluding the Chairman and Secretary.

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

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, 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 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 governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability 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 control 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 control.

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

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

03 June, 2024

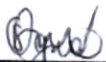
Kuria East Constituency
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IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	57,000,000	152,588,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	58,500	-
TOTAL RECEIPTS		57,058,500	152,588,879
PAYMENTS			
Compensation of employees	4	2,962,238	2,852,602
Committee expenses	5	3,879,500	-
Use of goods and services	6	4,578,453	11,587,165
Transfers to Other Government Units	7	1,592,246	73,260,580
Other grants and transfers	8	43,926,039	62,339,639
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	762,200	-
Other Payments	11	-	-
TOTAL PAYMENTS		57,700,676	150,039,986
SURPLUS/DEFICIT		(642,176)	2,548,893

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

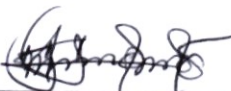
The Constituency financial statements were approved by the NGCDFC on 19/09/ 2023 and signed by:


Fund Account Manager

Name: SALOME OGWECHO
MIRUKA


National Sub-County
Accountant

Name: JOEL PATRICK OPONDO


Chairman NG-CDF
Committee

Name: SICKLER CHACHA OMARI

ICPAK M/No:17141

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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	2,947,304	3,589,480
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		2,947,304	3,589,480
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		2,947,304	3,589,480
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL SSETS		2,947,304	3,589,480
REPRESENTED BY			
Fund balance b/fwd 1st July...	14	3,589,480	1,040,587
Prior year adjustments	15	-	
Surplus/Defict for the year		(642,176)	2,548,893
NET FINANCIAL POSITION		2,947,304	3,589,480

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 19/09/ 2023 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name: SALOME OGWECHO
MIRUKA

Name: JOEL PATRICK OPONDO

Name: SICKLER CHACHA OMARI

ICPAK M/No:17141

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

XI. Statement Of Cash Flows for The Year Ended 30th June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	57,000,000	152,588,879
Other Receipts	3	58,500	-
		57,058,500	152,588,879
Payments for operating activities			
Compensation of Employees	4	2,962,238	2,852,602
Committee expenses	5	3,879,500	-
Use of goods and services	6	4,578,453	11,587,165
Transfers to Other Government Units	7	1,592,246	73,260,580
Other grants and transfers	8	43,926,039	62,339,639
Oversight Committee Expenses	10	762,200	-
Other Payments	11	-	-
		57,700,676	150,039,986
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(642,176)	2,548,893
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		(642,176)	2,548,893
Cash and cash equivalent at BEGINNING of the year	12	3,589,480	1,040,587
Cash and cash equivalent at END of the year		2,947,304	3,589,480

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

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 19/09/ 2023 and signed by:

 _____ Fund Account Manager	 _____ National Sub-County Accountant	 _____ Chairman NG-CDF Committee
--	---	--

Name: SALOME OGWECHO
MIRUKA

Name: JOEL PATRICK OPONDO

Name: SICKLER CHACHA OMARI

ICPAK M/No:17141

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

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

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 %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
Receipts							
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NG-CDF Board	145,087,603	3,589,480	37,588,879	186,265,962	60,589,480	125,676,482	32.5%
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts		58,500	-	58,500	58,500	-	100%
TOTAL RECEIPTS	145,087,603	3,647,980	37,588,879	186,324,462	60,647,980	125,676,482	32.5%
PAYMENTS							
Compensation of Employees	4,075,475	-	-	4,075,475	2,962,238	1,113,237	72.7%
Committee expenses	3,926,400	209,000	-	4,135,400	3,879,500	255,900	93.8%
Use of goods and services	4,974,414	265,480	-	5,239,894	4,578,453	661,441	87.4%
Transfers to Other Government Units	992,246	600,000	-	1,592,246	1,592,246	-	100.0%
Other grants and transfers	41,631,465	2,515,000	-	44,146,465	43,926,039	220,426	99.5%
Acquisition of Assets	-	-	-	-	-	-	0%
Oversight Committee Expenses	1,400,000	-	-	1,400,000	762,200	637,800	54.4%
AIA-Hire of hall (Unapproved)	-	58,500	-	-	-	-	#DIV/0!
Unapproved funds	88,087,603		37,588,879	125,734,982	-	125,734,982	0.0%
TOTAL	145,087,603	3,647,980	37,588,879	186,324,462	57,700,676	128,623,786	31.0%

***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.*

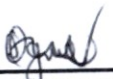
Explanatory Notes.

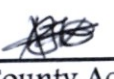
Compensation of Employees, Use of goods and services, Transfers to Other Government Units, Other grants and transfers, Acquisition of Assets, Oversight Committee Expenses, Other Payments budget were underutilized due to delay of funding from the board.

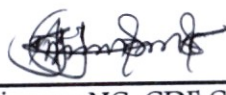
Uganda East Constituency
National Government Constituencies Development Fund (NGCDF)
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	128,623,786
Less undisbursed funds receivable from the Board as at 30th June 2023	125,676,482
	2,947,304
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2022/2023	2,947,304

The Constituency financial statements were approved by NG CDFC on 19/09 / 2023 and signed by:


 Fund Account Manager


 National Sub-County Accountant


 Chairman NG-CDF Committee

Name: SALOME OGWECHO MIRUKA

Name: JOEL PATRICK OPONDO

Name: SICKLER CHACHA OMARI

ICPAK M/No:17141

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,075,475		-	4,075,475	2,962,238	1,113,237	73%
1.2 Committee allowances	1950400	104,000		2,054,400	1,819,000	235,400	89%
1.3 Capacity building	596786	265,480		862,266	829,100	33,166	96%
1.4 Use of goods and services	2001000			2,001,000	1,782,239	218,761	89%
Total	8,623,661	369,480		8,993,141	7,392,577	1,600,565	82%
2.0 Monitoring and evaluation						-	
2.1 Capacity building	1890000			1,890,000	1,122,300	767,700	59%
2.2 Committee allowances	1976000	105,000		2,081,000	2,060,500	20,500	99%
2.3 Use of goods and services	486628			486,628	844,814	(358,186)	174%
3.0 Total	4,352,628	105,000		4,457,628	4,027,614	430,014	90%
3.0 Emergency							
3.1 Primary Schools	4,330,777			4,330,777	4,330,777	-	100%
3.2 Secondary schools	1,941,000			1,941,000	1,941,000	-	100%
3.3 Tertiary institutions				-		-	
3.4 Security projects	1,364,412		-	1,364,412	1,364,412	-	100%
3.5 Unutilised				-		-	

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
Total	7,636,189	-		7,636,189	7,636,189	-	100%
4.0 Bursary and Social Security				-			
4.1 Secondary Schools	19,445,276	475,000		19,920,276	19,625,850	294,426	99%
4.2 Tertiary Institutions	10,000,000	40,000		10,040,000	10,094,000	(54,000)	101%
4.3 Social Security				-		-	
4.4 Special Needs	-			-	20,000	(20,000)	
Total	29,445,276	515,000	-	29,960,276	29,739,850	220,426	99%
5.0 Sports	2,550,000			2,550,000	2,550,000	-	100%
5.1						-	
Total	2,550,000	-	-	2,550,000	2,550,000	-	100%
6.0 Environment							
Kwihemba Primary School				-		-	
				-		-	
Total	-	-	-	-	-	-	
7.0 Primary Schools Projects							
Nyamtiro boarding Primary school		600,000		600,000	600,000	-	100%
Kionyo Primary school	492,246			492,246	492,246	-	100%
Kegonga KMTC							
Total	492,246	600,000	-	1,092,246	1,092,246	-	100%

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
8.0 Secondary Schools Projects						-	
				-		-	
Total	-	-	-	-	-	-	
9.0 Tertiary institutions Projects				-		-	
Kegonga KMTC	500,000	-		500,000	500,000	-	100%
Total	500,000		-	500,000	500,000	-	100%
10.0 Security Projects				-		-	
Chinato ACC		2,000,000		2,000,000	2,000,000		100%
Ntimaru DCC Residence	2,000,000			2,000,000	2,000,000	-	100%
						-	
Total	2,000,000	2,000,000	-	4,000,000	4,000,000	-	100%
11.0 Acquisition of assets				-		-	
	-		-	-			
Total	-		-	-		-	
12.0 Constituency Oversight Committee						-	
2.1 Capacity building	600,000			600,000	407,200	192,800	68%
2.2 Committee allowances	600,000			600,000	335,000	265,000	56%
2.3 Use of goods and services	200,000			200,000	20,000	180,000	10%
Total	1,400,000	-	-	1,400,000	762,200	637,800	54%
13.0 Other payments				-		-	

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
				-			
Total		-	-	-	-	-	
14.0 unallocated fund							
Unapproved projects	88,087,603		37,588,879	125,676,482		125,676,482	
AIA		58,500		58,500		58,500	
PMC savings				-			
Total	88,087,603	58,500	37,588,879	125,734,982	-	125,734,982	
Grant total	145,087,603	3,647,980	37,588,879	186,324,462	57,700,676	128,623,786	0.31

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury

XIV. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

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 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

Kuria East Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****XV. Notes To the Financial Statements****1. Transfers from NGCDF Board**

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B105832		22,000,000
B128578		5,000,000
B154087		12,000,000
B128890		12,000,000
B164424		24,588,879
B105485		44,000,000
B140967		33,000,000
B185134	7,000,000	
B185671	15,000,000	
B185540	6,000,000	
B206169	5,000,000	
B206434	12,000,000	
B206434	12,000,000	
TOTAL	57,000,000	152,588,879

2. Proceeds From Sale of Assets

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

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3. Other Receipts

Description	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	58,500	-
Unutilized funds from PMCs		-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	58,500	-

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,976,943	2,852,602
Personal allowances paid as part of salary	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	808,296	-
Employer Contributions Compulsory national social security schemes	176,999	-
TOTAL	2,962,238	2,852,602

5. Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,413,500	-
Other committee expenses	1,466,000	-
TOTAL	3,879,500	-

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	66,680	280,000
Communication, supplies and services	243,819	325,000
Domestic travel and subsistence	1,004,100	950,000
Printing, advertising and information supplies & services	63,400	475,000
Rentals of produced assets	-	-
Training expenses	947,300	1,499,989
Other Committee Expenses		1,750,000
Committee Expenses		1,200,000
Hospitality supplies and services	535,950	450,000
Insurance costs	118,046	
Specialised materials and services	79,100	350,000
Office and general supplies and services	385,951	700,000
Fuel, oil & lubricants	827,344	600,000
Other operating expenses	78,263	1,730,000
Bank Charges	-	27,176
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	228,500	650,000
Routine maintenance- other assets	-	600,000
TOTAL	4,578,453	11,587,165

Kuria East Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Notes To The Financial Statements (Continued)****7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	1,092,246	47,042,753
Transfers to Secondary Schools	-	22,090,850
Transfers to Tertiary Institutions	500,000	4,126,977
TOTAL	1,592,246	73,260,580

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	19,625,850	25,333,000
Bursary -Tertiary (see attached list)	10,094,000	3,968,000
Bursary- Special Schools	20,000	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	6,000,000
Security Projects (see attached list)	4,000,000	17,483,700
Sports Projects (see attached list)	2,550,000	
Environment Projects (see attached list)	-	2,250,000
Emergency Projects (see attached list)	7,636,189	7,304,139
Roads Projects	-	-
TOTAL	43,926,039	62,339,639

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

Non-Financial Assets	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
TOTAL	-	0

10. Oversight Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	335,000	-
Other COC expenses	427,200	-
TOTAL	762,200	-

11. Other Payments

Description	2022-2023	2021-2022
	Kshs	Kshs
Strategic Plan	-	-
ICT Hubs	-	-
		-
TOTAL	-	-

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023 Kshs (30/6/2023)	2021-2022 Kshs (30/6/2022)
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Kenya Commercial Bank, A/C no., Branch. (Main account)</i>	2,947,304	3,589,480
Kenya Commercial Bank, A/C no. Branch. (Deposit account)	-	-
	-	-
TOTAL	2,947,304	3,589,480
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance (30/6/2023)
		Kshs	Kshs	Kshs
			-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
TOTAL		-	-	-

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

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

15. Fund Balance B/F

	(1st July 2022-2023)	(1st July 2021-2022)
	Kshs	Kshs
Bank accounts	2,947,304	1,040,587
Cash in hand		
Imprest		
TOTAL	2,947,304	1,040,587

[Provide short appropriate explanations as necessary]

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16. Prior Year Adjustments

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

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

17. Changes In Accounts Receivable – Outstanding Imprests

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

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposits and Retention as at 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

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

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	1,113,237	547,398
Use of goods and services	255,900	27,125
Committee expenses	661,441	
Amounts due to other Government entities (see attached list)	-	25,665,270
Amounts due to other grants and other transfers (see attached list)	220,426	14,938,566
Acquisition of assets	-	
Oversight Committee Expenses	637,800	
Others (<i>specify</i>)	-	-
Funds pending approval	125,734,982	
Total	128,623,786	41,178,359

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19.4: PMC account balances (See Annex 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
PMC account balances (see attached list)	5,534,783	6,453,515
Total	5,534,783	6,453,515

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XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
				<i>2022-2023</i>	<i>2021-2022</i>	
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
Sub-Total						
Supply of goods						
5.						
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 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
		Kshs	Kshs	
Compensation of employees		1,113,237	547,398	
Use of goods & services		917,341	27,125	
Amounts due to other Government entities				
Getongorma Primary			500,000	
Kogeharaka Primary School			50,000	
Kwigena Primary School			500,000	
Maeta Primary School			500,000	
Makararangwe Primary School			500,000	
Nyabikongori Primary School			500,000	
Nyabosongo Primary School			2,000,000	
Nyamanche Primary School			400,000	
Nyamotambe Primary			1,000,000	
Nyamtiro Boarding Primary School			5,295,253	
Remanyanki Primary School			500,000	
Sakuri Primary School			500,000	
Tebesi Primary School			500,000	
Tungaine Primary School			45,017	
Igena Itambe Secondary School			875,000	
Wangirabose Secondary School			2,500,000	
Kwio Secondary School			2,500,000	

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Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
		Kshs	Kshs	
Seronga Secondary School			1,000,000	
Kegonga Kenya Medical Training			6,000,000	
Sub-Total		2,030,579	26,239,793	
Amounts due to other grants and other transfers				
Bursary and Social Security				
Secondary Schools		220,426	204	
Tertiary Institutions			13,562	
Security Projects				
Gokeharaka Chiefs office	Construction of chiefs office which comprise of 4 offices to completion		2,000,000	
Deputy County Commissioner office Ntimaru Sub County	Construction of phase one ground floor; foundation and raising of beams of one storey building with Eight offices		4,000,000	
Assistant County Commissioner office Gokeharaka	Construction of phase one ground floor; foundation and raising of beams of one storey building with eight offices.		4,424,800	
Assistant County Commissioner office Chinato	Construction of DCC's residence made of 3 bedrooms.		1,000,000	
Kegonga Law court	Additional funds for completion of phase one, ground floor comprising of eight offices, flooring, walling, fixing doors and windows, plastering and		2,500,000	

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Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
		Kshs	Kshs	
	painting.			
Motarakwa Primary school	Renovation of classrooms		1,000,000	
Sub-Total		220,426	14,938,566	
Acquisition of assets				
Constituency Oversight Committee		637,800		
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval		125,734,982		
Grand Total		128,623,786	41,178,359	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost (Kshs) At 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At 2023
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	5,120,464	-	-	5,120,464
Office equipment, furniture and fittings	432,382	-	-	432,382
ICT Equipment, Software and Other ICT Assets	312,498	-	-	312,498
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	5,865,344	-	-	5,865,344

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Annex 5 –PMC Bank Balances As At 30th June 2023

PMC	Bank	Account number	Bank Balance Current FY Kshs	Bank Balance Previous FY Kshs
ASSISTANT COUNTY COM CHINATO	KCB-Kehancha	1286015286	160,853	60,588
BIKARABWA PRIMARY SCHOOL	KCB-Kehancha	1134161905	446	2,828
BISHOP ANYOLO SECONDARY SCHOOL	KCB-Kehancha	1288354258	204	204
BOKORANGUMO PRIMARY SCHOOL	KCB-Kehancha	1294667904	452,784	2,784
CHINATO PRIMARY	KCB-Kehancha	1205086897	49,618	49,618
GETAMBWEGA PRIMARY	KCB-Kehancha	1134426089	2,758	2,758
GETONGOROMA PRIMARY SCHOOL	KCB-Kehancha	1286879469	8,707	8,707
GIBARORI SECONDARY SCHOOL	KCB-Kehancha	1289079803	274	274
GOKEHARAKA CHIEFS OFFICE	KCB-Kehancha	1291149155	79	380,500
GOKEHARAKA ACC	KCB-Kehancha	1294939270	23,204	23,204
GOKEHARAKA SECONDARY	KCB-Kehancha	1128057883	379,057	379,057
GUANA SECONDARY	KCB-Kehancha	1280927607	416,401	416,401
GUKIHURU PRIMARY SCHOOL	KCB-Kehancha	1294938517	496,759	496,759
GURETTA PRIMARY	KCB-Kehancha	1123132550	194,799	194,799
IGENA ITAMBE PRIMARY	KCB-Kehancha	1150203366	62,134	62,134
KABARE PRIMARY SCHOOL	KCB-Kehancha	1132346754	78,484	78,484
KEBAROTI CHIEFS' OFFICE	KCB-Kehancha	1137837152	55,800	55,800

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2021-2022
			Kshs	Kshs
Kegonga Boys	KCB-Kehancha	1117859169	80,680	80,680
Kegonga Kenya Medical Training College	KCB-Kehancha	1294773380	215,799	215,799
Kegonga Law Court	KCB-Kehancha	1294787926	184	184
Kegonga Primary	KCB-Kehancha	1112404112	42,718	42,718
Kemakoba Ass Chief Office	KCB-Kehancha	1279403853	1,458	1,458
Kemakoba Primary School	KCB-Kehancha	1132447283	8,484	8,610
Kendege Primary School	KCB-Kehancha	1154316092	16,319	16,319
Kendege Tti	KCB-Kehancha	1178099954	26,475	26,475
Kewandwi Primary School	KCB-Kehancha	1294493914	2,259	2,259
Kionyo Primary School	KCB-Kehancha	1112965556	84,882	84,882
Kogeharaka Primary School	KCB-Kehancha	1133784763	49,642	49,642
Koromangucha Primary School	KCB-Kehancha	1171595174	59,402	59,402
Kubinto Primary School	KCB-Kehancha	1294728679	1,759	1,759
Kugitimo Primary School	KCB-Kehancha	1134549806	130,776	130,776
Kwigena Primary School	KCB-Kehancha	1113051051	18	18
Kwihemba Primary School	KCB-Kehancha	1294306480	3,224	43,224
Kwiho Secondary School	KCB-Kehancha	1177971739	786	786
Maeta Primary School	KCB-Kehancha	1291210776	492	492
Maeta Chiefs' Office	KCB-Kehancha	1286845416	269	269

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2021-2022
			Kshs	Kshs
Makararangwe Primary School	KCB-Kehancha	1133650538	29,399	29,399
Makararangwe Chiefs' Office	KCB-Kehancha	1264546262	3,829	3,829
Makararangwe Secondary School	KCB-Kehancha	1171231571	156,070	156,070
Masangora Secondary School	KCB-Kehancha	1226664733	704	704
Matare Boys School	KCB-Kehancha	1117690873	220,041	220,041
Motarakwa Primary School	KCB-Kehancha	1171352271	25,533	474,974
Mutiniti Primary School	KCB-Kehancha	1133429939	86,327	86,327
Nguku Mahando Primary School	KCB-Kehancha	1133553117	11,347	11,347
Nguku Mahando Seconday	KCB-Kehancha	1288648995	111,191	111,317
Nguruna Primary Secondary	KCB-Kehancha	1167436024	13,773	13,773
Nguruna Secondary School	KCB-Kehancha	1286490375	3,078	3,078
Ntimaru Central Chiefs' Office	KCB-Kehancha	1279386967	70,269	70,269
Ntimaru Police Station	KCB-Kehancha	1291385398	3,204	3,204
Ntimaru Primary School	KCB-Kehancha	1137241853	5,799	5,799
Ntimaru Do's Residence –Cdf Account	KCB Kehancha	1254331905	135,019	18,269
Nyabasi West Chiefs' Office	KCB-Kehancha	1228723567	61,398	61,398
Nyabikongori Primary School	KCB-Kehancha	1106387074	7,632	7,632
Nyaitara Assis Chief	KCB-Kehancha	1286029937	78	78
Nyaitara Primary School	KCB-Kehancha	1171602219	1,367	1,367

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2021-2022
			Kshs	Kshs
Nyamagenga Primary	KCB-Kehancha	1112913750	4,038	4,038
Nyamagenga Secondary	KCB-Kehancha	1137568054	363	363
Nyamagongwi Primary	KCB-Kehancha	1133752314	3,530	3,530
Nyamanche Primary School	KCB-Kehancha	1134443978	42	42
Nyamotambe Primary School	KCB-Kehancha	1133591817	3,404	3,295
Nyamtiro Boarding Primary School	KCB-Kehancha	1288648995	111,317	111,317
Nyansita Primary School	KCB-Kehancha	1294852329	497,784	497,784
Remanyanki Primary School	KCB-Kehancha	1133407161	7,653	7,653
Sakuri Primary School	KCB-Kehancha	1178266028	21,075	21,201
Sakuri Girls School	KCB-Kehancha	1133993524	16,327	16,327
Seronga Primary School	KCB-Kehancha	1106377532	355,350	355,476
Taragai Primary School	KCB-Kehancha	1133455972	38,563	38,563
Tungaine Primary School	KCB-Kehancha	1134943946	86,006	86,006
Wangirabose Primary School	KCB-Kehancha	1113220082	6,790	6,790
Wangirabose Secondary	KCB-Kehancha	1117205835	277,993	277,993
Total			5,534,783	5,357,604

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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)
SNY/KE-NGCDF/2021/2022/ (4)	Unsupported Use of Goods and Services Expenditure The statement of receipts and payments reflects use of goods and services balance of Kshs.11,587,165 differs with Kshs.9,230,998 as disclosed in Note 5 to the financial statements leading to unreconciled variance. However, the balance was not supported with detailed schedules indicating transaction description, payee, cheque dates, numbers and amount. In addition, audit review revealed the following anomalies: Other committee expenses of Kshs.1,750,000 were not supported by invitation letters or notices given to the committee members to attend the meetings and signed minutes.	I wish to state that the schedules supporting a balance of kshs.2,356,167 being the difference noted in the use of goods and service has been avail for review. Invitation letters given to committee supporting committee expenses has of kshs.1,750,000 has been avail for review. Fuel register and work ticket in support of Kshs.600,000 spent on fuel has been avail for	Resolved	

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		been avail for review and approved training plan in support of kshs.1,499,989 spent on training has been avail for review.		
SNY/KE-NGCDF/2021/2022/ (4)	The balance of Kshs.73,260,580 includes transfers to primary schools amount of Kshs.47,042,753 out of which, Kshs.1,000,000 was disbursed to Nyaitara Primary School for the construction of metal elevated water tower, purchase of two water tanks and installation of water pump. However, according to the approved code list for the year 2021-2022, this project was classified under environment projects. In the circumstances, the accuracy of the reported transfers to primary schools and environment projects amounts could not be confirmed.	I wish to state that the kshs.1,000,000 disbursed to Nyaitara Primary school for the construction of metal elevated water tower, purchase of two water tanks and installation of water pump under environment but erroneously classified under transfers to primary school has	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
		been corrected in the financial statement and copy attached for review.		
SNY/KE-NGCDF/2021/2022/ (4)	The balance transfers of Kshs.73,260,580 includes transfers to primary schools' amount of Kshs.47,042,753 which further includes payments amounting to Kshs.25,882,753 in respect of which, the approved annual procurement plan, list of prequalified suppliers, procurement documents such as evaluation committee appointment letters, evaluation reports, professional opinions and signed contract agreements were not provided for audit review. In the circumstances, the accuracy, completeness and validity of the transfers to primary schools' expenditure of Kshs.25,882,753 for the year ended 30 June, 2022 could not be confirmed.	I wish to state that all the procurement of works are done at the project level by the Project management Committees. Advertisement, Opening, evaluation sending of regret letters and contract signing are done by the ad hoc tender committee appointed by the accounting officer at the project level under the guidance of sub	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
		county procurement officer. All these tender documents have been attached for review.		
SNY/KE-NGCDF/2021/2022/ (4)	Annex 5- PMC bank balances reflect totals of Kshs.6,453,515 and Kshs.4,512,829 for the 2021/2022 and 2020/2021 financial years, which differ with recalculated totals of the Kshs.1,930,252 and Kshs.2,141,520, resulting in unexplained variances of Kshs.4,523,163 and Kshs.2,371,309 respectively. In addition, certificates of balances supporting the amount of Kshs.6,453,515 were not provided for audit. In the circumstance, the accuracy and completeness of the PMC bank balances of Kshs.6,453,515 as at 30 June, 2022 could not be confirmed.	I wish to state that the certificate of bank balances to supports the PMC bank balances of kshs.6,453,515 and kshs.4,512,829 for 2021/2022 and 2020/2021 financial years have been attached for review.	Resolved	
	The summary statement of appropriation reflects total actual receipts amount of Kshs.153,629,466 which differs with the	I wish to state that the inaccuracies in the statement of	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	recast amount of Kshs.152,588,879, resulting in an unexplained variance of Kshs.1,040,587. Similarly, the statement reflects budget utilization difference amount of Kshs.41,178,359 which differs with recomputed amount of Kshs.43,535,000, resulting in an unreconciled variance of Kshs.2,356,641. In the circumstances, the accuracy of the summary statement of appropriation could not be confirmed.	appropriation of Kshs.1,040,587 and Kshs.2,356,641 are opening bank balance at the start of the financial and closing bank balance at the end of the financial year respectively. Adjustment have been made in the financial statement attached for review.		
SNY/KE-NGCDF/2021/2022/ (4)	The amount of Kshs,14,150,000 includes includes Kshs.3,000,000 paid to Mutarakwa Primary School for renovation of 6 classrooms to completion. The scope of works included flooring, plastering, fitting window, doors and painting. However, the budget amount for the said project as per the approved code list for 2020-2021 was Kshs.2,000,000, resulting to an overpayment	I wish to state that the amount of kshs.3,000,000 paid to Mutarakwa primary for renovation of 6 classrooms to completion and the scope of works	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
	by Kshs.1,000,000 which was not explained.	included flooring, plastering, fitting window, doors and painting was Kshs.2,000,000 approved in 2020/2021 and Kshs.1,000,000 approved in 2021/2022. The approved code list have been attached for review.		
SNY/KE-NGCDF/2021/2022/ (4)	The amount of Kshs.14,150,000 includes Kshs.5,000,000 spent on renovation of eight (8) classrooms at Gibarori Primary School. However, audit inspection in March, 2023 revealed that the project was complete and in use, but the floors had chipped off, an indication of poor workmanship. In addition, the project was not in the approved code list for the year under review.	I wish to state that the defects noted in the project of Gibarori Primary construction of Eight classrooms to completion has since been corrected as it occurs within the liability period. The school was	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)															
		condemned by the public health officers because of the serious defects which prompted the office to act immediately .The project has since been approved.An approved codelist has been attached for review.																	
SNY/KE-NGCDF/2021/2022/ (4)	The transfers to secondary schools amount of Kshs.22,090,850 includes Kshs.9,000,000 utilized to purchase and install 5000 litres water tanks in the following schools: <table><tr><th>S/No.</th><th>School</th><th>Amount (Kshs.)</th></tr><tr><td>1</td><td>Kemakoba Secondary</td><td>1,000,000</td></tr><tr><td>2</td><td>Nyamagenga Secondary</td><td>1,000,000</td></tr><tr><td>3</td><td>NgukuMahando secondary</td><td>1,000,000</td></tr><tr><td>4</td><td>Guana</td><td>1,000,000</td></tr></table>	S/No.	School	Amount (Kshs.)	1	Kemakoba Secondary	1,000,000	2	Nyamagenga Secondary	1,000,000	3	NgukuMahando secondary	1,000,000	4	Guana	1,000,000	I wish to state that the projects above have since been branded and photos attached for review.	Resolved	
S/No.	School	Amount (Kshs.)																	
1	Kemakoba Secondary	1,000,000																	
2	Nyamagenga Secondary	1,000,000																	
3	NgukuMahando secondary	1,000,000																	
4	Guana	1,000,000																	

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Reference No. on the external audit Report	Issue / Observations from Auditor			Management comments	Status: (Resolved / Not Resolved)	Timeframe : (Put a date when you expect the issue to be resolved)
		Secondary	0			
	5	Nguruna Secondary	1,000,000			
	6	Gibarori Secondary	1,000,000			
	7	Nyamagongwi secondary	1,000,000			
	8	Seronga Secondary	1,000,000			
	9	Masangora Secondary	1,000,000			
		Total	9,000,000			
	However, field inspection in March, 2023 revealed that the projects had not been labelled to identify the entity that implemented them and the period in which they were implemented, as required by Regulation 11 (1) (cc) of the National Government Constituencies Development Fund Regulations, 2016 which states that, one of the functions of the constituency committee is to ensure projects are labelled in accordance with the guidelines issued by the Board					

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Name: SALOME OGWECHO MIRUKA
Fund Account Manager.