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**REPORT**

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DAY:  
TUE 6/8/2024

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BY:

Deputy Majority  
Whip

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THE-TABLE:

Benson Inzotya

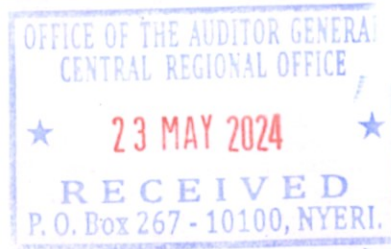
**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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



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**GATANGA CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

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

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

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**1. Acronyms and Abbreviations**

*Provide a list of all applicable acronyms and abbreviation e.g.*

NGCDF-National Government Constituency Development Fund  
NGCDFC-National Government Constituency Development Fund Committee  
NG-CDF B-National Government Constituencies Development Fund Board  
PFM-Public Finance Management  
IPSAS-International Public Sector Accounting Standards.  
PMC-Project Management Committee  
FY-Financial Year  
ARMC-Audit and Risk Management Committee  
OSHA-Occupational Safety and Health Act of 2007

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

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

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 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 Gatanga 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)

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

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**Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Nathan Rugut
2.	Sub-County Accountant	Benard Hehu
3.	Ag. Chairman NGCDFC	Joseph Ndururi
4.	Member NGCDFC	Lucy Njiru

**(c) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Gatanga 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) Gatanga Constituency NGCDF Headquarters**

P.O. Box 63-0100, Thika  
Mabanda Sub-County Offices  
Mabanda, KENYA

**(e) Gatanga Constituency NGCDF Contacts**

Telephone: (254) 714 884 675  
E-mail: [cdfgatanga@ngcdf.go.ke](mailto:cdfgatanga@ngcdf.go.ke)  
Website: [www.gatangacdf.com](http://www.gatangacdf.com)

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**(f) Gatanga Constituency NGCDF Bankers**

The Equity Bank,  
Thika Branch  
A/C 0090279844251  
Thika

**(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

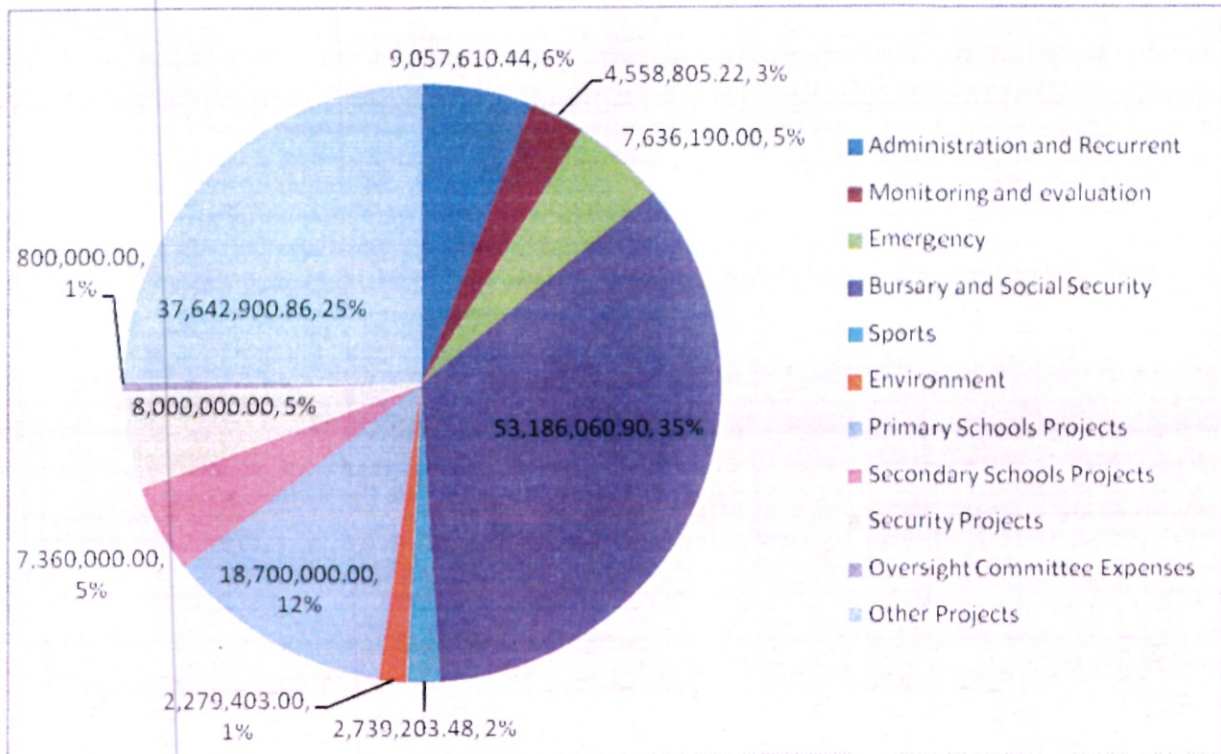
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**3. NG-CDFC Chairman's Report**

It is my pleasure to deliver the Chairman's report for NG-CDF Gatanga for the financial year 2022/2023

In the financial year 2022/23 NG-CDF Gatanga total allocation was Ksh 151,960,173.90 out of which Ksh 100,500,000 was received from the board, the funds were disbursed to various projects with the education sector taking a large percentage of the allocation as shown in the pie chart below.

**2022/2023 BUDGET**



The NG-CDF board should rationalize projects costs through some standardized national and regional projects costs ceilings and ensure funds are disbursed on time.

The delays in disbursements caused delays in implementation of projects.

In closing, I would also like to thank the NG-CDF committee and NG-CDF staff of Gatanga for their continued dedication to our purpose of transforming the constituency.

**Name: Joseph Ndururi  
Ag. CHAIRMAN NGCDF COMMITTEE**

#### 4. 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 *GATANGA Constituency 2023-2027* plan are to:

- a) Provide conducive environment for learning and improved educational performance in the constituency.
- b) Supporting the youth in sports and cultural activities at both school and community levels by encouraging youth group's formation as forums for identifying and promoting local talents in sports, sponsoring sports tournaments and cultural events.
- c) Providing ultimate security and safety for communities living in Othaya constituency through constructing and refurbishing of sub -county security and administrative infrastructures.

*(Enumerate all the objectives of the constituency as per the Strategic Plan)*

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

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Provide conducive environment for learning	Increased enrolment in primary schools and improved transition.	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 22/23 we increased number of Administration blocks from 3 to 3.
Sports	Supporting the youth in sports and cultural activities at both school and community levels	Reduce drugs and substance abuse through sports.	Number of youth groups benefitting from the sports programme.	In FY 22/23 we funded sports activities in all wards.
Security	Providing ultimate security and safety for communities living in Othaya constituency	Increased safety	Number of sub - county security and administrative infrastructures.	In FY 22/23 we renovated 5 Security and administrative offices

## **5. Governance Statement**

The NGCDFC Members are appointment through selection panel where they fill applications and are vetted by the selection panel and the names forwarded to the NG-CDF Board for approval and gazzeting.

A person may present a petition to the Board for removal of a member of a Constituency Committee or for the dissolution of a Constituency Committee.

The committee held 12 Meetings during the year. The Members are remunerated at Ksh 5,000 per sitting and the Chairperson is paid Ksh 7,000 per sitting.

The policy on conflict of interest is that any member should declare any conflict of interest during the NG-CDFC meeting and forms as one of the agenda items.

Gatanga NGCDF Constituency is committed to fair and ethical practises by ccompling with existing laws and the public officer ethics laws.

The risk management committee ensures all risks noted are mitigated against through regular meetings held and continuous review of the risk register.

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

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

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

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

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

## **2. Environmental performance**

- The NG CDF Conducts tree planting in primary schools within the constituency.
- The NG-CDF trains community members on drug & substance abuse when holding ward forums.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Gatanga constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Gatanga 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

GATANGA 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-

GATANGA 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.

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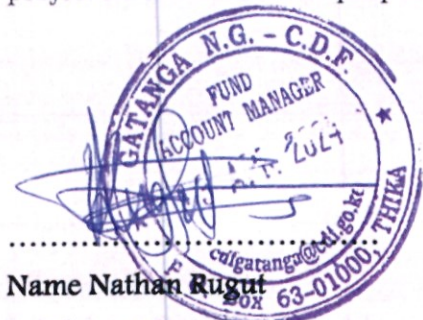
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The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

**Public Awareness**

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

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

  
Name Nathan Rugut  
Fund Account Manager.

## 7. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Gatanga 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, 2023. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Gatanga 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- GATANGA 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.

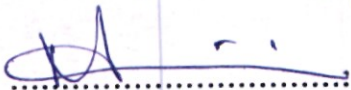
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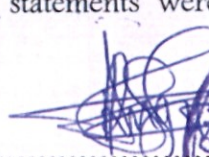
The Accounting Officer in charge of the NGCDF GATANGA Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for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


**Approval of the financial statements**

The NGCDF- GATANGA Constituency financial statements were approved and signed by the Accounting Officer on 18/06 2024.

  
.....

**Name: Joseph Ndururi**  
**Ag. Chairman – NGCDF Committee**

  
.....



**Name: Nathan Rugut**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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NAIROBI

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Gatanga Constituency set out on pages 1 to 43, 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 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 - Gatanga Constituency as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022)

### **Basis for Qualified Opinion**

#### **1. Unsupported Project Management Committee Bank Account Balances**

Note 19.4 to the financial statements reflects PMC bank accounts with a total balance of Kshs.4,593,102 as disclosed in Annex 5. However, the balances were not supported by bank reconciliation statements and cash books. Further, certificates of bank balances provided for audit for ten (10) PMC bank accounts reflect total balance of Kshs.2,202,646, while Annex 5 to the financial statements reflects a balance of Kshs.1,729,022, resulting to an unexplained variance of Kshs.473,624.

In the circumstances, the accuracy and completeness of PMC account balances of Kshs.4,593,102 could not be confirmed.

#### **2. Undisclosed Staff Payables**

Note 19.2 and Annex 2 to the financial statements reflect Nil staff payables balance. However, review of records revealed that the Fund had not paid staff salaries for the months of May and June, 2023 amounting to Kshs.499,956 which were not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of staff payables Nil balance 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 - Gatanga 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**

### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.179,155,944 and Kshs.103,106,891 respectively resulting to an under-funding of Kshs.76,049,053 or 42% of the budget. Similarly, the Fund spent a balance of Kshs.57,816,915 against actual receipts of Kshs.103,106,891 resulting to an under-utilization of Kshs.45,289,976 or 44% of the actual receipts.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional 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**

#### **Prior Year Unresolved Issues**

The audit report for the previous year highlighted several issues in respect of the Reports on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance. Although Management has indicated that the issues have been resolved, no report of recommendations from Management and Oversight bodies were submitted for verification.

## **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 matter 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**

#### **Un-Surrendered Bank Balances**

Note 19.4 to the financial statements and Annex 5 reflect Project Management Committee (PMC) bank accounts balance of Kshs.4,593,102, which includes bank balances totalling Kshs.3,093,102 that had not been transferred to the Fund. No explanation was given for

failure to close the accounts and transfer the balances to the Constituency bank account contrary to the requirements of Section 12(8) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022), which requires that all unutilized funds of the Project Management Committee shall be returned to the Constituency Account.

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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **1. Lack of Bursary Policy**

The statement of receipts and payments and Note 8 to the financial statements reflect other grants and transfers amounting to Kshs.35,504,000 in respect of bursary disbursements. However, the Fund did not have a documented bursary policy to guide on the criteria for identifying the needy students and the amount of bursary to be awarded to each beneficiary.

In the circumstances, the effectiveness of internal controls on bursary disbursements could not be confirmed.

#### **2. Lack of Risk Management Policy**

The Fund did not have in place a Risk Management Policy to guide the Management on risk assessment and formulation of risk mitigation strategies in the year under review. This was contrary to Regulation 165(1)(a) and (b) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to develop risk management strategies which include fraud prevention mechanism and internal control that builds robust business operations.

In the circumstances, effectiveness of internal controls built within the financial and operational systems could not be confirmed.

### **3. Weaknesses in Bursary Digital System**

The Fund has an automated bursary and scholarship management system that was donated by the Constituency Patron in December, 2023. However, review of the system revealed the following internal control weaknesses:

- i. Comprehensive user requirements documentation from the Fund was not shared with the system vendor for implementation before and during system design and development.
- ii. The system could not validate application register data as some applications were submitted without attachment of all mandatory documents.
- iii. The system could not pull basic reports for applicants from the admin module. The system administrator had to contact the developer to query the report directly from the database.
- iv. The system administrator was not a Fund employee thereby posing a risk of data manipulation and breach of data protection guidelines.

In the circumstances, the effectiveness of the bursary digital system could not be confirmed.

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

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

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

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

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

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

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

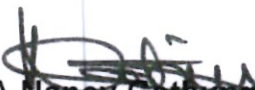
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the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

**24 May, 2024**

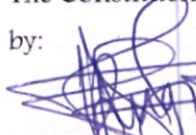
**Gatanga Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

**9. Statement Of Receipts and Payments for the Year Ended 30th June 2023**

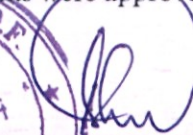
	Note	2022 – 2023	2021 – 2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	100,500,000	157,588,879
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>100,500,000</b>	<b>157,588,879</b>
<b>Payments</b>			
Compensation Of Employees	4	2,581,550	2,885,200
Committee expenses	5	3,434,480	3,521,000
Use Of Goods and Services	6	1,875,996	16,750,650
Transfers To Other Government Units	7	14,420,889	83,150,000
Other Grants and Transfers	8	35,504,000	60,693,554
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>57,816,915</b>	<b>167,000,404</b>
<b>Surplus/(Deficit)</b>		<b>42,683,085</b>	<b>(9,411,525)</b>

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

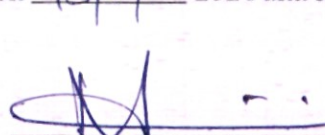
The Constituency financial statements were approved by the NG CDFC on 13/07 2024 and signed by:

  
**Fund Account Manager**

**Name: Nathan Rugut**

  
**National Sub-County Accountant**

**Name: Bernard Hehu**  
**ICPAK M/No: 14229**

  
**Ag. Chairman NG-CDF Committee**

**Name: Joseph Ndururi**

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

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

	Note	2022 – 2023	2021 – 2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	45,289,976	2,606,891
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>45,289,976</b>	<b>2,606,891</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>45,289,976</b>	<b>2,606,891</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>45,289,976</b>	<b>2,606,891</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	<b>2,606,891</b>	12,013,417
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		42,683,085	(9,411,526)
<b>Net Financial Position</b>		<b>45,289,976</b>	<b>2,606,891</b>

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

The Constituency financial statements were approved by NG CDFC on 13/06 2024 and signed by:



**Fund Account Manager**

**Name: Nathan Rugut**




**National Sub-County Accountant**

**Name: Bernard Hehu**  
**ICPAK M/No: 14229**

505 COUNTY ACCOUNTANT  
 GATANGA  
 P. O. Box 63-01000  
 THIKA



**Ag. Chairman NG-CDF Committee**

**Name: Joseph Ndururi**

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

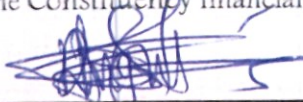
**11. Statement Of Cash Flows for The Year Ended 30th June 2023**

	Notes	2022 – 2023	2021 – 2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	100,500,000	157,588,879
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>100,500,000</b>	<b>157,588,879</b>
<b>Payments</b>			
Compensation Of Employees	4	2,581,550	2,885,200
Committee Expenses	5	3,434,480	3,521,000
Use Of Goods and Services	6	1,875,996	16,750,650
Transfers To Other Government Units	7	14,420,889	83,150,000
Other Grants and Transfers	8	35,504,000	60,693,544
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>57,816,915</b>	<b>(167,000,404)</b>
<b>Total Receipts Less Total Payments</b>		<b>42,683,085</b>	<b>(9,411,525)</b>
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>42,683,085</b>	<b>(9,411,525)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>-</b>
Net Increase In Cash And Cash Equivalent		<b>42,683,085</b>	<b>9,411,525)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>12</b>	<b>2,606,891</b>	<b>12,013,417</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>		<b>45,289,976</b>	<b>2,606,892</b>

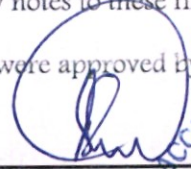
**Gatanga Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

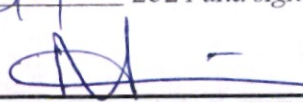
The Constituency financial statements were approved by NGCDFC on 13/04 2024 and signed by:

  
\_\_\_\_\_  
**Fund Account Manager**

Name: Nathan Rugut

  
\_\_\_\_\_  
**National Sub-County Accountant**

Name: Benard Hehu  
ICPAK M/No: 14229

  
\_\_\_\_\_  
**Ag. Chairman NG-CDF Committee**

Name: Joseph Ndururi



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

**12. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> 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 %
<b>Receipts</b>	2022/2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022/2023	2022/2023		
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Transfers From NGCDF Board	151,960,174	2,606,891	<b>24,588,879</b>	<b>179,155,944</b>	<b>103,106,891</b>	<b>76,049,053</b>	
Proceeds From Sale of Assets							
Other Receipts							
<b>Totals</b>	<b>151,960,174</b>	<b>2,606,891</b>	<b>24,588,879</b>	<b>179,155,944</b>	<b>103,106,891</b>	<b>63,960,174</b>	<b>57.6%</b>
<b>Payments</b>							
Compensation Of Employees	2,732,400	153,457		2,885,857	2,581,550	304,307	89.5%
Committee Expenses	6,030,016	97,165		6,127,181	3,434,480	2,692,701	56.1%
Use Of Goods and Services	4,854,000	59,644		4,913,644	1,875,996	3,037,648	38.2%
Transfers To Other Government Units	26,060,000	2,037,852	16,556,963	44,654,815	14,420,889	30,233,926	32.3%
Other Grants and Transfers	73,840,857	258,773	3,379,018	77,478,648	35,504,000	41,974,648	45.8%
Acquisition Of Assets	-		1,152,898	1,152,898		1,152,898	0%
Oversight Committee Expenses	800,000			800,000		800,000	0%
Other Payments	4,259,801		3,500,000	7,759,801		7,759,801	0%
Funds Pending Approval**	33,383,100			33,383,100		33,383,100	0%
<b>Totals</b>	<b>151,960,174</b>	<b>2,606,891</b>	<b>24,588,879</b>	<b>179,155,944</b>	<b>57,816,915</b>	<b>121,339,029</b>	<b>32.3%</b>

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

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

**Explanatory Notes.**

(a) Transfers To Other Government Units 32.3% - The funds were not disbursed on time hence the underutilization.

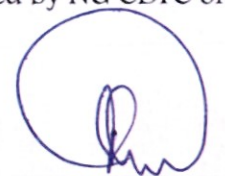
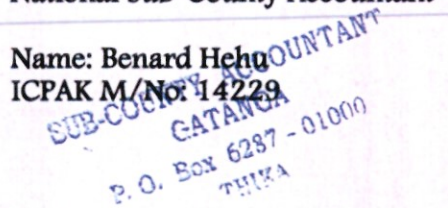
(b) Use Of Goods and Services 38.2% - The funds were not disbursed on time hence the underutilization.


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

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	121,339,029
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	(76,049,053)
	45,289,976
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	(-)
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	<b>45,289,976</b>

The Constituency financial statements were approved by NG CDFC on 13/6/24 2024 and signed by:

  
**Fund Account Manager**  
 Name: Nathan Rugut  


  
**National Sub-County Accountant**  
 Name: Benard Hehu  
 ICPAK M/No: 14229  


  
**Ag. Chairman NG-CDF Committee**  
 Name: Joseph Ndururi

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

**13. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2023**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	2,732,400	153,457		2,885,857	2,581,550	304,307
1.2 Committee allowances	2,311,210	41,876		2,353,086	2,292,480	60,606
1.3 Use of goods and services	4,014,000	41,143		4,055,143	1,875,996	2,179,147
<b>Sub-total</b>	<b>9,057,610</b>	<b>236,476</b>		<b>9,294,086</b>	<b>6,750,026</b>	<b>2,544,060</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,650,000	29,351		1,679,351		1,679,351
2.2 Committee allowances	2,368,805	25,938		2,394,743	1,142,000	1,252,743
2.3 Use of goods and services	540,000	18,501		558,501		558,501
<b>Sub-total</b>	<b>4,558,805</b>	<b>73,790</b>		<b>4,632,595</b>	<b>1,142,000</b>	<b>3,490,595</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
3.5 Unutilized	7,636,190			7,636,190		7,636,190
<b>Sub-total</b>	<b>7,636,190</b>			<b>7,636,190</b>		<b>7,636,190</b>
<b>4.0 Bursary and Social Security</b>						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.1 Primary Schools	38,000,000			38,000,000	35,504,000	2,496,000
4.2 Secondary Schools	15,186,061		447,305	15,633,366		15,633,366
4.3 Tertiary Institutions				0		
4.4 Universities				0		
4.5 Social Security				0		
<b>Sub-total</b>	<b>53,186,061</b>		<b>447,305</b>	<b>53,633,366</b>	<b>35,504,000</b>	<b>18,129,366</b>
<b>5.0 Sports</b>						
5.1	2,739,203.48	91,746		2,830,950		2,830,950
5.2						
5.3						
<b>Sub-total</b>	<b>2,739,203.48</b>	<b>91,746</b>		<b>2,830,950</b>		<b>2,830,950</b>
<b>6.0 Environment</b>						
6.1 Jogoo Kimakia Primary School			456,962.93	456,962.93		456,962.93
6.2 Swani Primary School			456,962.93	456,962.93		456,962.93
6.3 Nyaga Secondary School			456,962.93	456,962.93		456,962.93
6.4 Gatunga Girls st. Gernine School			456,962.93	456,962.93		456,962.93
6.5 Kanuga Primary School			456,962.93	456,962.93		456,962.93
6.6 Kigio Secondary School			456,962.93	456,962.93		456,962.93
6.7 Gathuthu primary school	253,267			253,267		253,267
6.8 Thare primary school	253,267			253,267		253,267
6.9 Githambia primary school	253,267			253,267		253,267
6.10 Thuta primary school	253,267			253,267		253,267

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
6.11 Kyauwe primary school	253,267		253,267	253,267		253,267
6.12 Ngelelya primary school	253,267		253,267	253,267		253,267
6.13 Iembeni secondary school	253,267		253,267	253,267		253,267
6.14 Iembeni primary school	253,267		253,267	253,267		253,267
6.15 Gakwari primary school	253,267		253,267	253,267		253,267
<b>Sub-total</b>	<b>2,279,403</b>		<b>2,741,978</b>	<b>5,021,181</b>		<b>5,021,181</b>
<b>7.0 Primary Schools Projects (List all the Projects)</b>						
7.1 Greystone Primary School	10,000		10,000	10,000		10,000
7.2 Mabanda Primary School	506,963		506,963	506,963	506,963	-
7.3 Swani Primary School	356,963		356,963	356,963		356,963
7.4 Giteine Primary School	506,963		506,963	506,963		506,963
7.5 Nyaga Primary School	2,000,000		2,000,000	2,000,000	2,000,000	-
7.6 Gatura Primary School	1,000,000		1,000,000	1,000,000	1,000,000	-
7.7 Kubira Primary School	1,500,000		1,500,000	1,500,000	1,500,000	-
7.8 Kwara Primary school	1,000,000		1,000,000	1,000,000	1,000,000	-
7.9 Mugumo primary school	1,200,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
7.10 Gatanyu primary school	1,200,000		1,200,000	1,200,000		1,200,000
7.11 Kigiso primary school	1,200,000		1,200,000	1,200,000		1,200,000
7.12 Gakwari primary school	1,000,000		1,000,000	1,000,000		1,000,000
7.13 Makongo primary school	1,000,000		1,000,000	1,000,000		1,000,000
7.14 Mt olive primary school	1,500,000		1,500,000	1,500,000		1,500,000

**Gatanga Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 2023**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Blk) and AIA	Previous Years' Outstanding Disbursements			
8.10 Chomo mixed secondary school	1,500,000			1,500,000		1,500,000
8.11 Ndakaini secondary school	1,500,000			1,500,000		1,500,000
8.12 Karangi secondary school	1,000,000			1,000,000		1,000,000
8.13Kiamwathi Secondary School	1,360,000			1,360,000		1,360,000
<b>Sub-total</b>	<b>7,360,000</b>	<b>1,013,926</b>	<b>9,600,000</b>	<b>17,973,926</b>	<b>8,413,926</b>	<b>9,560,000</b>
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>						
9.1						
9.2						
9.3						
<b>10.0 Security Projects</b>						
10.1 Nyaga chief office		167,026.74	189,936	356,963		356,963
10.2 Gatanga chiefs office	1,500,000			1,500,000		1,500,000
10.3 Thuita assistant chief office	1,500,000			1,500,000		1,500,000
10.4 Kinyangi assistant chief office	1,500,000			1,500,000		1,500,000
10.5 Ithanga ace office	1,000,000			1,000,000		1,000,000
10.6 Kwa mukundi assistant chief office	250,000			250,000		250,000
10.7 Mugumo assiatant chief office	250,000			250,000		250,000
10.8 Muti assistant chief office	750,000			750,000		750,000
10.9 Mukuwe chief office	250,000			250,000		250,000
10.10 Nyaga assistant chief	250,000			250,000		250,000
10.11 Kihumbuni police station	250,000			250,000		250,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements			
7.15 Mwana wikio primary school	1,000,000			1,000,000		1,000,000
7.16 Karunga Primary School	2,400,000			2,400,000		2,400,000
7.17 Mwaigu primary school	1,000,000			1,000,000		1,000,000
7.18 Galuthu primary school	2,000,000			2,000,000		2,000,000
7.19 Galanga primary School	1,200,000			1,200,000		1,200,000
7.20 Kihumbuni primary school	1,200,000			1,200,000		1,200,000
7.21 Mbari ya Ruga primary school	1,000,000			1,000,000		1,000,000
7.22 Thungururu primary school	800,000			800,000		800,000
7.23 Greystone primary school	1,700,000			1,700,000		1,700,000
7.24 Kanduri primary school	500,000			500,000		500,000
<b>Sub-total</b>	<b>18,700,000</b>	<b>1,023,926</b>	<b>6,956,963</b>	<b>26,680,889</b>	<b>6,006,963</b>	<b>20,673,926</b>
<b>8.0 Secondary Schools Projects (List all the Projects)</b>						
8.1 Gileme Secondary School		506,963		506,963	506,963	-
8.2 Karunga Secondary School		506,963		506,963	506,963	-
8.3 Mwaigu Secondary School			1,200,000	1,200,000	1,200,000	-
8.4 Karangi Secondary School			2,400,000	2,400,000	2,400,000	-
8.5 Gatanga Girls Secondary School			1,200,000	1,200,000	1,200,000	-
8.6 Ithariga Secondary School			1,100,000	1,100,000	1,100,000	-
8.7 St. Benedict Sec School			2,200,000	2,200,000		2,200,000
8.8 Chomo secondary school			1,500,000	1,500,000	1,500,000	-
8.9 St Teresa secondary school	2,000,000			2,000,000		2,000,000

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements		
10.12 Kigunjio assistant chief	250,000			250,000	250,000
10.13 Gatura police station	250,000			250,000	250,000
<b>Sub-total</b>	<b>8,000,000</b>	<b>167,027</b>	<b>189,936</b>	<b>8,356,963</b>	<b>8,356,963</b>
<b>11.0 Acquisition of assets</b>					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office					
11.3 Purchase of furniture and equipment					
11.4 Purchase of computers			1,152,898	1,152,898	1,152,898
11.5 Purchase of land					
<b>Sub-total</b>			<b>1,152,898</b>		<b>1,152,898</b>
<b>12.0 Oversight Committee Expenses (itemize)</b>					
12.1 Payment of sitting allowances for 5 COC members	600,000			600,000	600,000
12.2 Payment of Daily Subsistence Allowance for 5 COC members	150,000			150,000	150,000
12.3 Hire of training facilities for 5 COC members	35,000			35,000	35,000
12.4 Payment of catering for 5 COC members	15,000			15,000	15,000
<b>Sub-total</b>	<b>800,000</b>		<b>800,000</b>		<b>800,000</b>
<b>13.0 Others</b>					
13.1 Strategic Plan	3,500,000			3,500,000	3,500,000
13.2 NG-CDF Office Ihanga	759,801			759,801	759,801
13.3 Gatanga Law Courts			3,500,000	3,500,000	3,500,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
<b>Sub-total</b>	<b>4,259,801</b>		<b>3,500,000</b>	<b>7,759,801</b>		<b>7,759,801</b>
Funds pending approval**	33,383,100			33,383,100		33,383,100
<b>Total</b>	<b>151,960,174</b>	<b>2,606,891</b>	<b>24,588,879</b>	<b>179,155,944</b>	<b>57,816,915</b>	<b>121,339,029</b>

(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)

#### **14. Significant Accounting Policies**

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

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

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; 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-Gatanga Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

##### **3. Reporting Currency**

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

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

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

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

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2023 for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

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

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO B041080		33,000,000
AIE NO.B047412		44,000,000
AIE NO.B041455		22,000,000
AIE NO.B128807		12,000,000
AIE NO.B154005		12,000,000
AIE NO.B154298		19,000,000
AIE NO.B155812		10,588,879
AIE NO B132496		5,000,000
AIE NO.A888545	11,000,000	
AIE NO.B185055	7,000,000	
AIE NO.B185333	6,000,000	
AIE NO.B185354	1,500,000	
AIE NO.B185759	15,000,000	
AIE NO.B185883	5,000,000	
AIE NO.B206340	12,000,000	
AIE NO.B205726	12,000,000	
AIE NO.B205987	16,000,000	
AIE NO.B207853	15,000,000	
<b>TOTAL</b>	<b>100,500,000</b>	<b>157,588,879</b>

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	-	-

**Gatanga 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)**

4. Compensation Of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,957,099	2,847,600
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	588,692	-
Employer Contributions Compulsory national social security schemes	35,760	37,600
<b>Total</b>	<b>2,581,550</b>	<b>2,885,200</b>

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,834,480	8,833,500
Other committee expenses	600,000	3,521,000
<b>Total</b>	<b>3,434,480</b>	<b>12,354,500</b>

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

6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	11,993	
Communication, supplies and services	69,450	-
Domestic travel and subsistence	41,800	-
Printing, advertising and information supplies & services	357,320	-
Rentals of produced assets		-
Training expenses	990,000	3,200,720
Hospitality supplies and services	160,000	2,283,600
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	80,500	2,250,500
Fuel, oil & lubricants	100,000	-
Other operating expenses	-	-
Bank Charges	44,933	182,330
Security Operations	-	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	20,000	-
<b>Total</b>	<b>1,875,996</b>	<b>7,917,150</b>

*Gatanga Constituency  
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*Notes To The Financial Statements (Continued)*

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	6,006,963	40,250,000
Transfers To Secondary Schools (See Attached List)	8,413,926	34,150,000
Transfers To Tertiary Institutions (See Attached List)	-	8,750,000
<b>Total</b>	<b>14,420,889</b>	<b>83,150,000</b>

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	35,504,000	20,426,002
Bursary – tertiary institutions (see attached list)	-	11,118,467
Bursary – special schools (see attached list)	-	4,761,285
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	-	15,200,000
Sports projects (see attached list)	-	3,587,800
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	-	5,600,000
Roads projects (see attached list)	-	-
<b>Total</b>	<b>35,504,000</b>	<b>60,693,554</b>

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

**9. Acquisition Of 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 equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	-	-

**10. Oversight Committee Expenses**

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	-	-
ICT Hub	-	-
	-	-

**11. Other Payments**

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

**Gatanga Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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**12. Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank – Thika (0090279844251) (Main account)</i>	45,289,976	2,606,891
<i>Name of Bank, account No. (Deposits account)</i>	-	-
<b>Total</b>	45,289,976	2,606,891
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

**13. Outstanding Imprests**

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

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

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

**Notes to the Financial Statement Continued**

**14. Retention and Gratuity**

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

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

**15. Fund Balance B/F**

	<b>(1<sup>st</sup> July 2022)</b>	<b>(1<sup>st</sup> July 2021)</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	2,606,891	12,013,417
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	<b>2,606,891</b>	<b>12,013,417</b>

*[Provide short appropriate explanations as necessary]*

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

**16. Prior Year Adjustments**

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	(-)	-	(-)
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	-

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

**17. Changes In Accounts Receivable – Outstanding Imprests**

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

**18. Changes In Accounts Payable – Deposits and Retentions**

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

**Gatanga Constituency**  
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**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

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

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	304,307	1,847,200
Committee expense	2,692,701	
Use of goods and services	3,037,648	(4,873,408)
Amounts due to other Government entities (see attached list)	30,233,926	15,895,818
Amounts due to other grants and other transfers (see attached list)	41,974,648	14,321,161
Acquisition of assets	1,152,898	-
Oversight Committee Expenses	800,000	
Other Payments ( <i>specify</i> )	7,758,801	-
Funds pending approval	33,383,100	-
<b>Total</b>	<b>121,338,028</b>	<b>27,190,771</b>

*Gatanga Constituency  
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18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	4,593,102	17,754,723
<b>Total</b>	<b>4,593,102</b>	<b>17,754,723</b>

16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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

<b>Name of Staff</b>	<b>Designation</b>	<b>Date employed</b>	<b>Outstanding Balance 30<sup>th</sup> June 20xx</b>	<b>Comments</b>
<b>NG-CDFC Staff</b>				
1.				
2.				
3.				
<b>Sub-Total</b>				
<b>Grand Total</b>				

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance Current 2022-2023	Outstanding Balance Previous 2021-2022	Comments
Compensation of employees		304,306.90	1,847,200	
Use of goods & services		5,730,348.24		
Amounts due to other Government entities				
Rwitira primary school			1,000,000	
Nanga primary school			800,000	
Gitiri primary school			1,500,000	
Rwegetha primary school			1,750,000	
Giatutu primary school			2,800,000	
Mabae primary school			2,000,000	
Rubiru primary school			1,500,000	
Mwaniambogo primary school			1,100,000	
Greystone Primary School		10,000		
Swani Primary School		356,963		
Giteme Primary School		506,963		
Mugumo primary school		1,100,000		
Gatunyu primary school		1,200,000		
Kigio primary school		1,200,000		
Gakurari primary school		1,000,000		
Makongo primary school		1,000,000		

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Name	Brief Transaction Description	Outstanding Balance Current 2022-2023	Outstanding Balance Previous 2021-2022	Comments
Mt olive primary school		1,500,000		
Mwana wikio primary school		1,000,000		
Kanunga Primary School		2,400,000		
Mwagu primary school		1,000,000		
Gathuthu primary school		2,000,000		
Gatanga primary School		1,200,000		
Kihumbuini primary school		1,200,000		
Mbari ya Ruga primary school		1,000,000		
Thungururu primary school		800,000		
Greystone primary school		1,700,000		
Kanduri primary school		500,000		
Ithanga secondary school			2,000,000	
Kirwara High school			2,700,000	
St. Benedict Secondary School		2,200,000		
St Teresa secondary school		2,000,000		
Chomo mixed secondary school		1,500,000		
Ndakaini secondary school		1,500,000		
Karangi secondary school		1,000,000		
Kiamwathi Secondary School		1,360,000		
Sub-Total		<b>30,233,926</b>		

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Name	Brief Transaction Description	Outstanding Balance Current 2022-2023	Outstanding Balance Previous 2021-2022	Comments
Amounts due to other grants and other transfers				
Bursary - Secondary		2,496,000		
Bursary -Tertiary		15,633,366		
Security Projects ( see attached list)				
Kihumbuini police station			2,700,000	
Nanga police station			1,500,000	
Kirwara police station			2,000,000	
Nyaga chief office		356,963		
Gatanga chiefs office		1,500,000		
Thuita assistant chief office		1,500,000		
Kinyangi assistant chief office		1,500,000		
Ithanga acc office		1,000,000		
Kwa mukundi assistant chief office		250,000		
Mugumo assiatant chief office		250,000		
Muti assistant chief offie		750,000		
Mukurwe chief office		250,000		
Nyaga assistant chief		250,000		
Kihumbuini police station		250,000		
Kiganjo assistant chief		250,000		
Gatura police station		250,000		
Sports Projects				

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Name	Brief Transaction Description	Outstanding Balance Current 2022-2023	Outstanding Balance Previous 2021-2022	Comments
Sports		2,830,950.00		
Environment Projects			2,741,977	
Jogoo Kimakia Primary School		456,962.93		
Swani Primary School		456,962.93		
Nyaga Secondary School		456,962.93		
Gatanga Girls st. Germaine School		456,962.93		
Kanuga Primary School		456,962.93		
Kigio Secondary School		456,962.93		
Gathuthu primary school		253,267		
Thare primary school		253,267		
Githambia primary school		253,267		
Thuita primary school		253,267		
Kyaume primary school		253,267		
Ngelelya primary school		253,267		
Iembeni secondary school		253,267		
Iembeni primary school		253,267		
Gakurari primary school		253,267		
Emergency		7,636,190	1,998,794	

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Name	Brief Transaction Description	Outstanding Balance Current 2022-2023	Outstanding Balance Previous 2021-2022	Comments
Sub-Total		<b>41,974,648</b>	<b>25,343,771</b>	
Acquisition of assets		1,152,898		
Oversight Committee Expenses		800,000		
Sitting Allowance		600,000		
Monitoring & Evaluation Allowance		150,000		
Hire of training facilities		35,000		
Payment of catering services		15,000		
Others ( <i>specify</i> )				
Strategic Plan		3,500,000		
Gatanga Law Courts		3,500,000		
NG-CDF Office Ithanga		759,801		
Sub-Total		<b>7,759,801</b>		
Funds pending approval		33,383,099.86		
Grand Total		<b>121,339,029</b>	<b>27,190,771</b>	

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

<b>Asset class</b>	<b>Historical Cost b/f (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End</b>
Land	10,259,410	-	-	10,259,410
Buildings and structures	3,094,999	-	-	3,094,999
Transport equipment	3,843,846	-	-	3,843,846
Office equipment, furniture and fittings	1,747,989	-	-	1,747,989
ICT Equipment, Software and Other ICT Assets	2,509,656	-	-	2,509,656
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>21,455,900</b>			<b>21,455,900</b>

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**Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
CCM Gatanga Girls Secondary School	1141734294500	Co-Operative	1,169.00	1,169.00
CDF Office Mabanda	1141557676700	Co-Operative	6.06	234,586.05
Chomo Mixed Day Sec School	1141833478500	Co-Operative	69,818.50	0.50
Chomo Secondary School	0090284328878	Equity	1,500,000.00	0.00
Del Monte Secondary School CDF	1141833905600	Co-Operative	49,005.00	49,005.00
Gakurari Secondary School	1139074146000	Co-Operative	13,291.50	40,292.50
Gatakaini Assistant Chief's	1141833788600	Co-Operative	11,667.35	11,667.35
Gatanga CDF Sports Account	1141278419400	Co-Operative	3,309.45	3,309.45
Gatanga DCC's Office	1141833514700	Co-Operative	19,382.00	19,382.00
Gatanga Girls Secondary School	1141557749000	Co-Operative	60,495.50	0.00
Gatanga Law Courts Office	90282332233	Equity	203,800.00	553,800.00
Gatanga Primary School	1141734215800	Co-Operative	3,826.82	126.82
Gatanga Technical & Vocation	1141833696000	Co-Operative	402.90	402.90
Gatanga Youth empowerment centre	90282639799	Equity	3,667.00	0.00
Gathaini Primary School	1141734294100	Co-Operative	1,005.00	1,005.00
Gatiiguru Mixed Sec School	1141074889701	Co-Operative	30,885.85	33,885.85
Gatunguru Kariara Secondary School	90294751693	Equity	0.00	0.00
Gatunguru Kariara Primary School	90282198826	Equity	51,738.00	537,868.00
Gatunyu Secondary School	1141558789600	Co-Operative	449,040.75	3,000,030.75
GatunyuChief's Office	1141832787900	Co-Operative	8,636.70	96,670.70
Gatura ACC's Office	1141832883000	Co-Operative	50.75	50.75
Gatura Girls Secondary School	90282663128	Equity	111,988.00	1,200,000.00
Giachuki Secondary school	90282632578	Equity	2,092.00	0.00
Giatutu Primary School	1141734459900	Co-Operative	2,418.00	2,418.00
Giteme Primary School	1141734693300	Co-Operative	3,456.25	4,056.25

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Giteme Secondary School	1141735565001	Co-Operative	35,417.75	695.75
Githambia Primary School	1141734694800	Co-Operative	6,414.50	6,414.50
Githambia Secondary School	1139278976100	Co-Operative	3,350.00	3,350.00
Gititu Secondary School	1141833694300	Co-Operative	66,840.25	44,190.25
Gituamba Primary School	1141073046700	Co-Operative	25,282.00	134,282.00
Gituamba Secondary School	1141832355700	Co-Operative	2,805.00	3,191.00
Greystone primary	1141922340800	Co-Operative	12,027.50	0.00
Iembeni Secondary School Cdf	1141832946300	Co-Operative	47.00	47.00
Iganjo Primary School	1141734553700	Co-Operative	1,146.50	1,146.50
Ithanga / Kakuzi DCC's Office	90282287602	Equity	1,251.00	0.00
Ithanga Primary School	1141558704900	Co-Operative	1,644.00	1,400,180.00
Ithanga Secondary School	1141833674900	Co-Operative	63,615.50	79,836.50
Ithangarari Primary	1141734273000	Co-Operative	47,688.75	120,668.75
Ithangarari Secondary School	1141074624100	Co-Operative	16,804.25	1,215,144.25
JogooKimakia Secondary School CDF	1141833904400	Co-Operative	61,792.75	119,792.75
Kagarii Primary School	1141734693600	Co-Operative	663.50	663.50
Kamunyaka Kiumu Secondary School	90290595495	Equity	2,305.00	2,305.00
Karangi Secondary School-Cdf	1141735285200	Co-Operative	10,509.25	91,147.25
Karega Primary School	1141278770000	Co-Operative	672.50	672.50
Kiama Primary School	1141558099400	Co-Operative	809.00	0.00
Kiamwathi Secondary Schools	1141833650700	Co-Operative	117,254.50	189,135.50
Kiangigi Primary School	1141558296300	Co-Operative	13,500.75	35,688.75
Kiarutara Assistant Chiefs Office	90282907496	Equity	3,026.00	0.00
Kiarutara Primary School	1141734554000	Co-Operative	3,015.75	108.75
Kiganjo Assistant Chief's Office CDF	1141832979000	Co-Operative	1,072.00	1,072.00
Kigio Secondary School	1141833455500	Co-Operative	667.00	667.00
Kihumbuini ACC's Office	1141833967600	Co-Operative	1.00	1.00
Kihumbuini Secondary School	1139278419300	Co-Operative	101,325.25	1,297,843.35
Kimakia Police Post PMC	90282696077	Equity		2,100,000.00

**Gatanga Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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Kimandi Secondary School Cdf	1139073470902	Co-Operative	4,177.75	0.00
Kirwara Police Station	1134278981000	Co-Operative	90,143.75	216,643.75
Kirwara Primary School Cdf	1109279970600	Co-Operative	13,207.75	13,637.75
Kiunyu Primary School Cdf	1141429307500	Co-Operative	99,160.50	57,207.50
Matunda Secondary school	90282632578	Equity	54,280.00	0.00
Mbugiti Boys High School	90279180138	Equity	103,894.00	0.00
Mianyani Chief's Office CDF	1141832052400	Co-Operative	20,249.50	20,249.50
Mianyani Primary School	1141428570800	Co-Operative	48,120.63	48,120.63
Mugumo Day Mixed SecSch	1141833633800	Co-Operative	1,010.15	1,010.15
Mukurwe Chief's Office	1141832047000	Co-Operative	9,743.50	9,743.50
Muti Secondary School Cdf A/C	1141833660500	Co-Operative	26.75	26.75
Mwagu Primary School Cdf	1141734712400	Co-Operative	7,843.75	1,001,233.75
Mwagu Secondary School	1141428753700	Co-Operative	36,002.50	0.00
Mwanawikio Primary School CDF	1139278357900	Co-Operative	51,280.00	421,280.00
Mwea Primary School	1141735286300	Co-Operative	59,380.00	59,380.00
Mwitingiri Primary	1141734771100	Co-Operative	3,316.25	3,316.25
Nanga Police Post	90282639828	Equity	76,909.00	0.00
Ndakaini chiefs office	90282907808	Equity	49,308.00	0.00
Ndakaini Secondary School	1141833644700	Co-Operative	37,675.00	186,348.00
NdunyuChege Primary School CDF	1141558875800	Co-Operative	544.00	1,647.50
Ngatho Secondary School Cdf	1141557079800	Co-Operative	17,403.25	17,403.25
Ngelelya primary school	90282256848	Equity	36,833.00	0.00
Ngelelya Secondary Shool CDF	1141832877000	Co-Operative	53.82	53.82
Nyaga Administration Police Post CDF	1141832979100	Co-Operative	41,204.00	74,343.00
Nyaga Primary School	1141428520000	Co-Operative	59,296.75	0.00
Rubiru Primary School	90279141878	Equity	4,388.50	0.00
Rwaitira Primary School	1141428529700	Co-Operative	97,112.00	4,464.00
Rwegetha Primary School	1141558713800	Co-Operative	61,895.50	1,912,654.50
Rwegetha Secondary School	1139074174700	Co-Operative	4,729.00	960.00

*Gatanga Constituency*

*National Government Constituencies Development Fund (NGCDF)*

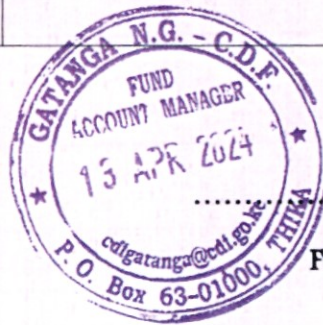
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St Teresa Secondary School	1141429941500	Co-Operative	250,431.63	243,757.63
St. Basil Gathanji Secondary School	90279164962	Equity	46,292.40	0.00
Thungururu Secondary School	1141428557400	Co-Operative	2,221.39	2,221.39
Thuthua Chief's Office	114922304000	Co-Operative	228.50	228.50
Wanyaga Primary School Cdf Ac	1141429648900	Co-Operative	2,638.63	1,100,572.63
<b>Total</b>			<b>4,593,102.00</b>	<b>17,754,723.27</b>

**Gatanga Constituency**  
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**Annual Report and Financial Statements for The Year Ended June 30, 2023**  
**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)
1	Unsupported Committee Allowances and Transfer to Other Government Units	Financial statements amended	resolved	
2	Misclassification of Expenditure	Financial statements amended	resolved	
3	Unsupported Project Management Committee (PMC) Bank Account Balances	Bank statements provided	resolved	



*[Handwritten signature]*

Name: Nathan Rugut  
Fund Account Manager.