

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 29 APR 2025

DAY.
Tuesday

TABLED
BY:

Hon. Julius Melly MP
on behalf of LOM

CLERK-AT
THE-TABLE:

Benson Inzafu

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – EMBAKASI EAST
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2024**

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

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National Government Constituencies Development Fund (NGCDF)
Embakasi East Constituency
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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

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(b) Key Management

The NGCDF Embakasi East Constituency’s day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Victor Ouma
2.	National Sub-County Accountant	Justus Mutua
3.	Chairman NGCDFC	Jane Akinyi (Upto March 2024)
4.	Member NGCDFC	Josephine owino

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF EMBAKASI EAST CONSTITUENCY Headquarters

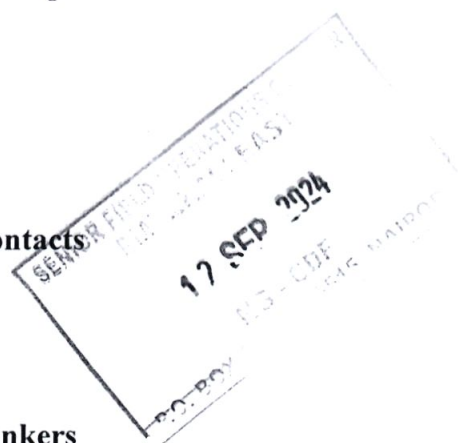
P.O. Box 2360-00515
Greenspan mall
Donholm.
Nairobi- KENYA.

(f) NGCDF EMBAKASI EAST CONSTITUENCY Contacts

Telephone: (254) 768 65 68 56
E-mail: cdfembakasi@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF EMBAKASI EAST CONSTITUENCY Bankers

1. Bank A. (Operations Account). *Embakasi East National Government Constituencies Development Fund main account*
Branch: Donholm.
Account number: 0820264117294
P.O. Box 5328-00100



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(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman’s Report



Josephine Owino- NGCDFC Acting chairperson

I am pleased to present Embakasi East –NCDF annual report and financial statements for the financial year 2023/24. The people of Embakasi East Constituency are determined to participate effectively in domesticating objectives of government in our development planning. The constituents now have power to implement the formulation and implementation of development programmes in the constituency for the works within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with fairness, transparency, openness and accountability.

Financial year budget

In the financial year 2022/23 the NG-CDF Embakasi East Constituency was allocated Kshs **241,614,772** and we have received kshs **204,994,698** for the financial year **2023/204**, leaving undisbursed funds of **kshs 152,271,416**.

Budget utilization was 59.3%. The challenges were brought in by the change of office of the president and hence the government requested for a time to look for avenues to fund the ministries.

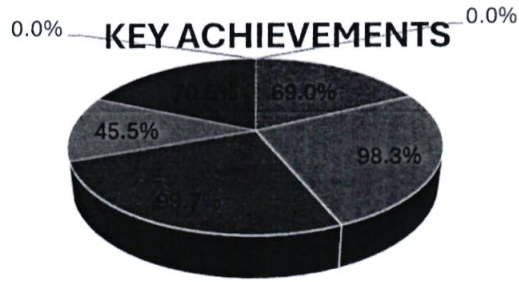
Table 1.0 summary of budget performance

Key achievements

We have therefore completed our allocations in time, and achieved the results as stipulated in the summary graph below:

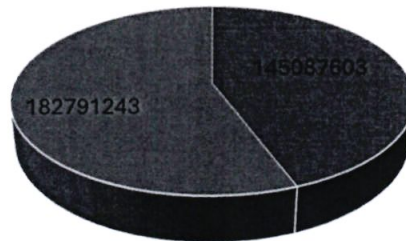
Compensation of Employees	69%
Committee expenses	99%
Use of goods and services	100%
Transfers to Other Government Units	34%
Other grants and transfers	71%
Acquisition of Assets	0%
Other Payments	0%

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

ALLOCATIONS



- 2022/2023
- 2023/2024



MIHANGO SECONARY SCHOOL LAB 2023-2024.



Emerging issues

There were no emerging issues in the school.

Challenges.

There were no challenges in the school since the funding was complete and the project went smoothly.

.....
Name: Josephine Owino
Chairperson NGCDF Committee

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

Introduction

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

The key development objectives of the *NGCDF EMBAKASI EAST CONSTITUENCY* 2023-2027 plan are to:

Embakasi East NG-CDF Key result Areas, Strategic Objectives and Strategies 2023-2027 are

The strategic objectives and the strategies to be pursued will be at the core of the constituency's functions over the next 5 years. The strategic matrix is presented in the table below.

Key Result Area	Strategic Objective	Strategies
Improved Access to education services	1.1 To improve education/school infrastructure and facilities	Put up school infrastructures; Equipping of schools; Rehabilitation of school infrastructure
	1.2 To Increase support of the needy students	Financial support to bright and the needy students; Support schools activities
Youth Skills development	2.1 To enhance youth skill development	Support youth empowerment centers; Fund youth initiatives;
	2.2 To equip youth with working skills	Train youth on life support skills;
Peaceful and Secure constituency	3.1 To enhance area security	Put up new security infrastructure; refurbish and equip chiefs' administration offices
Improved environment	4.1 To enhance environmental protection	Collaboration with environmental conservation stakeholders; Increase number of trees in the constituency
Accessible roads	5.1 To improve the condition of roads in the constituency	Roads upgrading through KURRA and county government
Institutional strengthening	7.1 To improve human working capacity	Staff and CDFCs training; Project management

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Key Result Area	Strategic Objective	Strategies
		committees (PMCs) training; Provision of adequate office equipment and working tools
	To improve resource mobilization	Efficient and effective utilization of resources; Collaboration with other development partners; and creating other financial sources

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2023/24 -we increased number of new schools-donholm sec school Gikambu primary school- The school had semi-permanent structures we added 5 permanent classrooms - Bursary beneficiaries at all levels were as per the attached schedules
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Embakasi East NG-CDF was able to construct utawala chiefs office in the financial year 2023-2024
Environment	Improve access to clean water and a more	Equip schools with tanks	Tanks supplied in different schools	10 Tanks were supplied in different schools and chiefs

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	sustainable and conserved environment through natural resources conservation initiatives			offices-mihango primary school, lower savanah chiefs office, maua primary school, utawala chiefs office and tassia police post each received 2 tanks
Sports	Empower and develop youth and special groups	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme is 37 teams around the constituency- this helped the youths to be active.
Emergency	Improve the mechanism used in handling disasters	Reduce loss of live and properties	No emergency occurrence in the constituency	There was no emergency occurrence in embakasi east in the financial year 2023/2024

5. Governance Statement

a. Appointment of National Government Constituency Development Fund Committee

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each Constituency Committee shall comprise of—
 - (a) the national government official responsible for co-ordination of national government functions;
 - (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
 - (c) Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;
 - (d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
 - (e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
 - (f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
 - (g) One member co-opted by the Board in accordance with Regulations made by the Board.
- (3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.
- (7) The quorum of the Constituency Committee shall be one half of the total membership.
- (8) The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.
- (9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.
- (10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

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

Appointment of NG-CDFC

In accordance with section 43 sub sections (1),(2) of the National Government Constituencies Development Fund act, Embakasi East NG-CDF advertised for the post of NGCDFC detailing the necessary requirements where several applicants showed interest for the same by forwarding their applications.

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

The interviews were conducted and in accordance with section 43(3) of the NGCDF Act, the names of the successfully selected individuals were forwarded to the board together with the names forwarded by the DCC and the constituency manager.

The selected members were gazetted on 16th December 2022 in gazette notice number Vol. CXXIV—No. 276. Handing over from the previous committee was then smoothly done between the outgoing committee and the newly gazetted committee overseen by the Fund Account Manager and the Deputy County Commissioner. A comprehensive hand over report was then prepared by the Fund Account Manager on behalf of the outgoing committee.

The first meeting was held on 5th January 2023 which was chaired by the DCC and the members were able to choose their office bearers.

List of NG CDFC members and category they represent

No	Committee Member	Category they represent
1.	Jane Akinyi ochieng – deceased.	Female Adult Representative
2.	Josphine owino	Constituency Female Representative
3.	Jacob Mwaura	DCC
4.	Victor Omondi ouma	FAM
5.	Osborn Onyango	Youth Male Representative
6.	osphine Charity wanjiku	Youth Female Representative
7.	Caleb Ojuki Onyango	Copted member
8.	Benjamin manoa nyamwega	PWD Representative
9.	Israel Mbuvi kamuti	Youth Male Representative
10.	Mariagorreti Akinyi	Copted member

b. Removal of a committee member.

(1) A member of the Constituency Committee may be removed from office on any one or more of the following grounds—

- (a) lack of integrity;

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- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practices;
- (f) Causing disharmony within the committee.
- (g) Physical or mental infirmity.

(2) A decision to remove a member under subsection (13) shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

(3) A vacancy arising as a result of the removal of a member under subsection (13) shall be filled in the manner set out in subsection (10) and minutes of the meeting shall indicate the fact of the removal or appointment of a member. ***In Embakasi east NG-CDF, there was no committee who was removed under the above reasons.***

c. The NG-CDF Committee roles are as follows

1. Participate in ward meetings, collect data on projects and Consider projects submitted from various wards in accordance with the Act, approve for funding those projects, make the project proposal to be submitted to the NG-CDF Board
2. Ensure timely and efficient disbursement of funds to projects.
3. Ensure efficient management of the Fund.
4. Co-ordinate the implementation of projects
5. Receive and address complaints that may arise within the constituency
6. Encourage best practices in the implementation of projects.
7. Employ NG-CDF Staff
8. Perform such other duties as the Board may deem necessary from time to time for the proper management of the Fund.

d. Induction, and training of NG-CDFC Members

The training of the New NG-CDFC members is coordinated by the region office through the regional coordinator and the fund's manager. The facilitators are from different departments of the NG-CDF Board and other experts from other ministries.

e. The objectives of training NG-CDF Committee are a

1. To carry out training of all the NG-CDF committee members
2. To impart knowledge to the participants who in turn will execute the NG-CDF mandate on behalf of the board.
3. To ensure smooth running of the NG-CDF offices across the Nairobi Region.

Expectations from NG-CDF Committee

- To see changes in the constituencies i.e. transformation of operations at the constituencies.
- To exchange of ideas with members from other constituencies.

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- To understand the roles of the NG-CDF Committee.
- To learn and understand the procurement process.
- To get a clarification on the legal status of NG-CDF.
- To find out how people living with Disability helped.
- Share best practices for bench-marking purposes.

f. NO OF MEETINGS HELD

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

In the financial year, Embakasi East NGCDFC minutes held were 24 in number as per the regulations on the National Government Constituencies Development Fund Act

Committee meetings attendance register 2023/2024

No	Committee Member	6 th & 28 th July 2023	4 th & 30 th Aug 2023	7 th & 26 th Sept 2023	5 th & 26 th Oct 2023	8 th & 27 th Nov 2023	8TH & 28 th Dec 2023	3 rd & 25 th Jan 2024	1 st & 19 th Feb 2024	15 th & 27 th Mar 2024	5 th & 29 th Apr 2024	10 th & 30 th May 2024	3RD & 28 th Jun 2024
	Jane Akinyi ochieng	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	○ ○	○ ○	○ ○	○ ○
	Josphine owino	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Jacob Mwaura	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	victor ouma	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Osborn Onyango	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Josphine C. wanjiku	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Caleb Ojuki Onyango	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Benjamin m. nyamwega	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Israel Mbuvi kamuti	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
	Mariagorreti Akinyi	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓

Note

- ✓ Means one meeting in a month.
- Means no meeting attended

SENIOR FIELD OPERATIONS
 UNIT - EMBAKASI EAST
 17 SEP 2024
 P.O. BOX 100000, NAIROBI
 NG - CDF

g. Ethics & Conduct

Members of NGCDFC are required to observe the following ethical issues

- i. Confidentiality - the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
 - ii. Honesty and integrity - NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
 - iii. Leadership - NGCDFC members should promote leadership in the constituency.
- During the financial year 2023/2024 members of NGCDFC Embakasi East adhered to the stipulated ethical issues

h. Members' remuneration

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

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

i. Disclose policy on conflict of interest

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

j. Risk Management

The below provides a summary of the range and types of risk the Embakasi East National Government Constituency Committee anticipates

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Risk Mapping

No		Critical Success Factors	What could go wrong? (Risk Event)	Cause of the Risk	Effect of the Risk
1	To ensure proper project implementation, Monitoring and Evaluation and effective management of the Constituency development funds	Projects ; equitable and fair distribution, transparent, reliable, sufficiently funded, well identified by the community, community involvement, relevant to the community, benefits a wide cross section of the community, with land ownership documents, suitable to People with Disability(PWD)	Low turnout in project identification forums by Constituents	Politicizing of project implementation by the constituents, Illiteracy and unavailability of the community, lack of sensitization,	Misplaced priorities, Delayed project implementation due to community wrangles, request for change of project activity, request for reallocation of funds
2			Failure to consider public participation input in developing project proposals	Lack of awareness of public participation Vested interest, white elephant project, Inadequate input by the public during public participation forum, presentation of large number of needs ,vis-à-vis the available resources, by the public, Direction from executive Emergence	Projects not representing community needs, Duplication of projects, white elephants projects skewed development, white elephant projects, , litigation, Inequitable distribution of projects within the constituency, Lack of project ownership disruption of strategic plan request for change of project activity, request for reallocation of funds
3		People With Disability(PWD) Projects: Available ,accessible, disability friendly environment,	Projects that do not suit People with disability(PWD)	Ignorance on implementation of PWD act 2003, Lack of proper planning of the projects, Lack of enough public participation for eligible projects, Extra costs of projects associated with disabilities, on adherence of NCA guidelines, Lack of awareness ,	Discrimination of PWD Complaints from PWD, Increase illiteracy, Litigation
4			Implementation of projects that are not aligned to the Constituency Strategic Plan	strategic plan not reflecting constituency needs, disregard of the Strategic Plan, failure to monitor implementation of strategic plan, failure to align the annual Project Proposal with the constituency Strategic Plan and performance contracting, Strategic Plan not aligned to the Plan period, documentation of implementation matrix without timelines, cost estimates, Key performance indicators,	unmet strategic plan targets/objectives, uneven distribution of projects, service delivery
5			Delayed approval of project proposals, resubmissions and reallocations by the NG-CDF Board	Not fully constituted board, Delayed submission of project proposals to the board, failure to provide additional information requested.	Delayed implementation projects, low absorption,

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6			Allocation of funds to projects without considering realistic cost estimate	Unavailability of technical officer to prepare the bill of quantity, Failure by NGCDFC to employ clerk of works who can assist on preparation of bill of quantity, perceived political gain through funding many projects,	Insufficient allocation of funds to project, over funding of the project v leads to misuse of funds stalled project, Frequent variation of contract, unrealistic cost estimate which leads to unutilized funds in PMC accounts incomplete project,
7			Thin/piece-meal allocation of funds to projects	biasness, perceived political gain, conflict of interest,	Substandard projects at stalled projects, public dissatisfaction
8			Non allocation of funds to ongoing projects	Failure to prioritize ongoing projects during funds allocation, Reallocation of funding from ongoing projects, Change of guard, Change in voting patterns, political transitions	Stalled projects , waste resources, Negative impact on NGCDF.
9			Unavailability of ownership documents on public land	untimely subdivision and transfer of title deeds, land succession challenges	Delay in project implementation Difficulty in starting new projects
10			Inadequate public land for new projects	land grabbing, overpopulation, leaders with vested interests	Difficulty in starting new projects, overcrowding existing facilities
11			Failure by the NGCDFC to implement project through PMC	Conflict of interest by NGCDFs and other stakeholders, perceived low Capacity of PMC to implement Complex Projects, Inadequate training of the PMCs	Violation of Section 36 NG-CDF Act 2015 which recognize PMC as the project implementers, lack of sustainability and ownership of projects,
12		Funds - available and adequate,accountable,voted,budgeted	Delayed disbursement of funds by the NG-CDF Board	Delayed submission of project proposals to the board, Lack of funds at the board, piecemeal disbursement of funds by the board, having huge balances in the constituency account, legal suits, not fully constituted Board,	Delayed implementation projects, delayed use of projects by the beneficiaries overlap of projects implementations as per financial years, poor realization of performance targets
13			Use of Emergency fund for other purposes not of emergency in nature	Insufficient allocation of funds to a project, board disbursing funds specifically for emergency vote before disbursement of other funds, influencing government offices to issue letters to justify non-emergency projects as emergencies	Lack of funds to address genuine emergency case that may arise within the constituency, Misuse of emergency fund, corruption
14			Misuse of Emergency funds	Use of Emergency fund for other purposes not within National government mandate, Low levels of integrity, vested interests in projects,	Loss of funds, corruption overstepping NGCDF mandate, litigation

National Government Constituencies Development Fund (NGCDF)

Embakasi East Constituency

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

15			Irregular procurement process at the constituency level	Failure to implement a procurement plan, Failure to prepare bid documents, Failure to train PMC on procurement process, , Conflict of interest, Political pressure from stakeholders, Failure by the AIE holder to give the right information, , Low Capacity of FAMs on contract management, failure to involve competent technical experts, Variation of contracts without adhering to provisions of PPDA, Failure to disclose vital information to unsuccessful bidder as required under section 86(1), 87(3), of PPDA act 2015 and section 82 of the PPDA regulation 2020	Contract awarded to the unqualified contractor, Audit issues, Litigation: Poor workmanship, Loss funds, incomplete project cost escalation due to delay in subsequent funding, disciplinary action, dismissal from employment or as a NGCDFC, Payment of provisional sum without supporting document, stalled projects, and irregular project activities. Award of contract for an amount more than the budget,
16			Failure to comply with PPRA circular on mandatory reporting requirement	Inadequate compliance training and/or poor compliance monitoring, ignorance	Weak accountability and transparency in procurement, litigations. offence as under section 176(m) of PPDA act 20
17		NG CDFC Members and staff: Literate, High Integrity, Informed, Disciplined, self-driven, motivated, respected by the public, good team players, result oriented, participatory, self-driven.	Unqualified NG-CDFC staff	flawed recruitment process because of interest, nepotism, tribalism, political influence, poor remuneration	Poor services delivery, project delays, failure to meet statutory requirements, unable to attract/retain qualified and competent staff.
18			Inadequate managerial, technical and supervision skills among, NGCDFCs, PMCs and Staff	Lack of adequate training and capacity building, Low literacy levels, nepotism in appointment of PMCs, Lack of policy and regulations on appointment of PMC members	Poor services delivery, project delays in monitoring and evaluation, undue advantage technical officers
19			Failure to monitor/ effectively monitor implementation of projects by NGCDFC	Lack of M&E framework as required by the NGCDF Act 2015, Failure by NGCDFC to employ staff as per section 45 of NGCDF act 2015, Inadequate understanding by the NGCDFC on their roles in M&E, Inefficient use of M&E resources, Lack of M&E work plan, Inaccessibility, insecurity, inadequate resources, Inadequate capacity for NGCDFC, staff on M&E report writing, unavailability of technical officers during M&E exercise	Inability to conduct M&E for all projects in a year, Inadequate M&E reports, Ambiguous project monitoring & evaluation process, Unexpected project reports, poor workmanship, loss of funds, litigations, variations, Non-implementation of M&E recommendation due to poor communication & follow up, Substandard projects, loss of funds, Inadequate project monitoring

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

0			Over staffing of NGCDF Offices	Conflict of interest, political pressure, lack proper of employment structure at NGCDF,	Strained administration vote, poor remuneration, idle staff, overlapping j description and specification, high administration cost, inadequate office space working tools.
21			Insufficient feedback systems from board to constituency	Delayed communication by the Board on decisions made for resubmissions and reallocations of projects	Delay on project implementation
22			NGCDF projects completed but not in use (White elephant project)	Lack of cooperation and coordination between NG-CDF and PMC. ,Inadequate framework for handover of completed NG-CDF projects)	Delayed use & Underutilization of NG-CDF project
23			Inadequate framework for handover of devolved projects previously undertaken by NG-CDF	Lack of cooperation and coordination between NG-CDF and PMC	Reputation damage, stalled projects, wastage of fund litigations,
24			Misuse of sports /environment funds	Lack of policy on use of sports and environment, Inadequate guidance on implementation of sports and environment funds, lack of proper accountability document	Non-uniformity on advice given by the Board on use of environment and sports funds, implementation of sports/environment projects by NGCDF, project unsustainability and ownership
25			Failure to brand/inappropriate branding of NGCDF funded projects	inadequate branding of NGCDF projects , Use of wrong NGCDF Colors, Logo & information	Low visibility/ Publicity NGCDF Projects, Poor reputation, misuse of funds
26			Undefined mechanism of accounting and implementation for co-funded projects	Corruption, inadequate knowledge on records keeping	Loss of funds, poor reputation, lack of project ownership, sustainability and accountability
27		Project Management Committee (PMC)- Competent, knowledgeable, skilled and upholds integrity	Delay on implementation of project by NGCDF/PMCs after funds disbursement	Conflict of interest among the stakeholders, Delays by Technical Officers to provide advisory services, Lengthy procurement process, Delayed ground breaking ceremonies by MP, Unforeseen events such as floods, pandemics insecurity. Political control in awarding of works to certain politically correct person(s)	Loss of funds, cost escalations as a result of inflation, delayed project benefits
28			Poor reporting and records management by the PMCs.	Failure to train PMC on project implementation and record keeping, inadequate skills, illiteracy,	Audit issues, Slow project implementation, wastage of funds, litigations, reputation damage, loss of data, not accounted funds

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

29			Misappropriations of project funds by the PMCs	Failure to train PMC before commencement of the project, Conflict of interest, greed, Insufficient project funding, payment of materials & labour through cash	Poor workmanship, incomplete and stalled projects, unpaid project
30			Irregular change of Project Scope/Activities	Political pressure, Conflict of interest, self-interest, Inadequate M&E, Inadequate/faulty project identification process, Inadequate funding of project, Lack of proper consultation with technical officer	incomplete/stalled project, poor reputation of NGC, Poor implementation of projects, financial losses, dissatisfied stakeholder
31			Ghost' projects	Lack of integrity, Self-interest, corrupt practices, failure to monitor projects	Financial losses, Failure to fulfill NG-CDF mandate, negative image/reputation, litigation, disciplinary action
32		Service Providers/ Merchants/Contractors; Professional, Transparent, Honest, Integrity, reliable, timely, friendly, cooperative, efficient and effective, result oriented,	Fraudulent service providers/merchants and contractors	lack of integrity, vested interests, greed	Stalled projects, lack of value for money, Litigation
33			Poor workmanship on projects by contractors	Failure to supervise the work by works officer, clerks of works and FAM, Failure to monitor the work by the NGCDFC and the FAM, Political influence, vested interests, conflict of interest	Wastage of funds, stalled project, white elephant project, litigation,
34		Technical Officers: reliable, provide technical input for all projects -BQS, drawings, relevant certificates and adequate technical staff. Facilitation of technical officers	Unavailability of Technical officers to provide the requisite technical support as required	Insufficient staffing of technical department, inefficient officers and inadequate remuneration, Failure by NGCDFC to employ clerk of works who works hand in hand with Works officer	Delayed preparation and presentation of BQs by technical officers, Unrealistic cost estimate for proposed projects, Delay in project implementation, low absorption of funds, Poor project monitoring misleading reports
35			Preparation of BQs and drawings by technical departments without site visit for projects	Insufficient staffing of technical department, inefficient officers and inadequate remuneration,	Frequent variation of contract, unrealistic cost estimates which leads to unutilized funds in PMC accounts or incomplete project.
36		Sub county treasury (and its staff): Available, qualified, adequate, integrity, professionalism	Improper planning & coordination between NGCDF FAM & Sub County Treasury	Understaffing at the Treasury, Lack of team work among treasury staff, NGCDFC and NGCDFC staff, Poor planning by NGCDFC and the FAM, uncooperative Treasury staff.	Delays by the Sub county Treasury in facilitating disbursement of projects funds and bursary cheques, Slow project implementation, wastage of funds, slow rate of absorption, conflict between treasury staff and political stakeholders

National Government Constituencies Development Fund (NGCDF)

Embakasi East Constituency

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

37			Failure to maintain and update Government required books of accounts by sub-county treasury	Incompetent sub-county treasury staff, Inadequate sub-county treasury staff	Inaccurate accounting records and reports, Late preparation of financial reports by the Sub county Treasury for submission to the board, Delayed or non retrieval of documents and/or information from sub-county treasury, overdue imprest
38			Failure to deduct and remit statutory deductions	Negligence, Lack of awareness of statutory deductions laws, Inadequate NGCDF staff, Incompetent NGCDF staff, Political interference, Inadequate administration funds,	Penalties, Litigation, negative image, failure of staff to access essential services, demotivated staff
39			High level of reconciling items in bank reconciliations for constituencies	Lack of structures and measures for cheque disbursement to beneficiary institutions/ individuals; lack of regular checks to on the books of accounts; Failure by Sub County Treasury to reconcile items on time. Delay by beneficiary institutions to present cheques at banks, Understaffing of treasury department, Poor system of internal control, failure to maintain duplicate books of accounts by the FAM	Inaccurate and late reporting,
40		Fund Account Managers (FAM): Reliable, available, Integrity, Objectivity.	Non implementation of recommendations from technical officer(Risk officers, Auditor, Works officer, FAM, procurement officer, Sub-county accountant, clerk of works)	Conflict of interest, ignorance, lack of personal responsibility	Wastage of time and resources

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

1			Misappropriation/over commitment of administration & recurrent vote	Failure to implement a procurement plan, Inappropriate use of NG-CDFC Assets, Exceeding 24 NGCDFC meetings in a financial year, Equipment breakdown, Theft of assets and office equipment, Poor and unreliable internet connectivity in NGCDF offices, Obsolete machines and equipment, Overstaffing, using rented offices instead of constructing, under budgeting at proposal stage, penalties due to non-remittance statutory deductions, over commitment of administration & recurrent vote of 6%, reliance on administrative cost by constituency office	High administrative cost e.g. high security, transport cost, Insufficient funds for administrative operations, funding administrative activities from other vote heads, disciplinary act against the FAM, non-implementation of some of the administrative activities
42			Failure to set aside gratuity for NGCDFC employees	Inadequate mechanism on how to set aside, Lack of budgetary allocation by NGCDF, Failure to take personal responsibility, Budgetary Constraints because huge number of employees,	Litigations, demotivated staff, unbudgeted payments
43			Failure by FAM to maintain financial and accounting records	Lack of personal initiative, ignorance, Lack of accounting knowledge and understanding	Inaccurate and late reporting, Late preparation of financial reports
44		Political Stakeholders; Political good will, noninterference, integrity, Development conscious, Cooperative, reasonable, dedicated, not biased	Conflict of interest among key stakeholders(NGCDFC, PMC, FAM, Technical officers, Political stakeholder, Procurement officer)	Inadequate training, flawed recruitment process,	Corruption, incompetent NG-CDFC staff, public complains, Poor project implementation, wastage of funds, litigations, reputation damage, unqualified service providers, poor workmanship, Costly projects, wastage of funds, Audit queries as a result of not following the proper procedure
45		Security: Projects sites and roads should be safe for monitoring for all involved in supervision and site workers.	Exposure to insecurity incidences in the Constituency	Community disputes, Constituency borders volatile,	loss of life, loss of property, delayed projects, hinders proper project implementation and monitoring
46		Bursaries:- Available, adequate, well vetted,transparency,accountable,within the guideline	Inadequate allocation of bursary fund to match beneficiary needs	Lack of proper guidance on bursary vetting and award, Large number of applicants, Inadequate bursary funds, conflict of interest	Needy students dropping out of school, high number of bursary related complaints

National Government Constituencies Development Fund (NGCDF)
Embakasi East Constituency
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47			Needy and deserving cases missing out on bursary/Social security fund	Alteration of bursary/Social security fund beneficiary list, Bursary funds/Social security fund not reaching intended beneficiary, Erroneous bursary cheques, Misuse of bursary funds/Social security fund, uneven distribution of bursary, Unreliable system of allocating bursary/Social security fund, Bursary/Social security fund allocation not transparent, political mileage, nepotism, tribalism,	School drop outs, Image reputation, high illiteracy rate, lack of health for the old/needy within the constituency
48			Failure to account for allocated/ disbursed bursary	Inadequate modalities on accounting, lack of follow up, lack of commitment	Misuse of bursary, negative publicity,
49		Office and Equipment: Should be adequate, modern, well maintained & secure.	Inadequate safeguarding of constituency assets	Failure to set aside budget for insurance cost, Budgetary constraints because of high cost of premiums, Failure to take personal responsibility, Lack of commitment by the NG-CDFC, Ignorance of potential risks by the NG-CDFC, Constituency Office claiming ownership of NGCDF Assets, Unauthorized sharing of NGCDF Assets by Constituency Office, Lack of properly maintained assets register, Unauthorized use of vehicle by members for personal use	Loss of Assets and Recoveries, Litigation,
50			Inadequate office workstation and un conducive working environment	lack of adequate office space, failure to construct NGCDF office, Inadequate funds, faulty equipment, overstaffing,	Slow performance, long queues in offices, increased complaints from constituents
51			Vandalism of NG-CDFC offices and projects	Political rivalry, Noninvolvement of stakeholders, wrong project sites, Biased development and distribution of resources	Stalled projects, Litigation, loss of funds, lack of public participation at constituency

SENIOR FIELD OFFICER
EMBAKASI EAST
17 SEP 2024
P.O. BOX 115-005
EMBAKASI EAST

6. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

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

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

- c. Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

2. Environmental performance

Embakasi East Environment Sustainability guidelines have been developed to;

1. Ensure that the Embakasi East NGCDF establishes systems of environmental impact assessment, environmental audit, monitoring and reporting of the environmental activities undertaken at the Constituency levels.
2. Ensure that the Constituencies continue to priorities and improve environmental sustainability projects.
3. Encourage Community participation in identification, protection and conservation of environment.
4. Improve on planning and utilisation of allocation for environmental sustainability funds in all constituencies
5. Ensure proper mechanisms of monitoring and reporting of the environmental activities

In this, Embakasi East NG-CDF has prioritized in supplying of water tanks and water harvesting in the constituency i.e. Schools.

3. Employee welfare

We invest in providing the best working environment for our employees. Embakasi East Constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third 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. Embakasi East Constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Embakasi East Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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


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

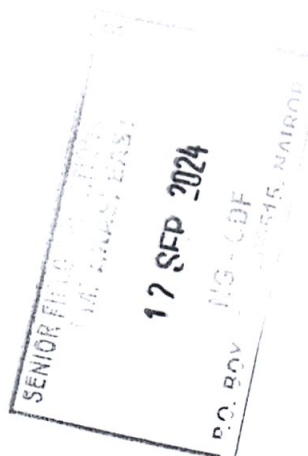
The NGCDF during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

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.

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

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

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

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

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

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- Embakasi East Constituency financial statements were approved and signed by the Accounting Officer on 12/09 2024.



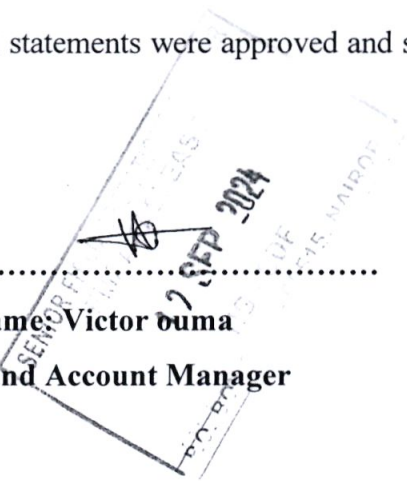
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**Name: Josephine owino
Chairman – NGCDF Committee**

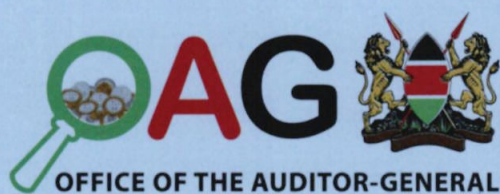


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**Name: Victor Ouma
Fund Account Manager**



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Embakasi East Constituency set out on pages 1 to

Report of the Auditor-General on National Government Constituencies Development Fund – Embakasi East Constituency for the year ended 30 June, 2024

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Embakasi East Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and National Government Constituencies Development Fund Act, 2015, (Amended 2023).

Basis for Qualified Opinion

Unconfirmed Project Management Committee (PMC) Bank Balances

Note 19.4 and Annex 5 to the financial statements reflects a balance of Kshs.44,319,040 in respect of Project Management Committee (PMC) account balances representing the unspent project funds held by various institutions. However, the cashbooks, bank confirmations and monthly bank reconciliation statements were not provided. Further, the unutilized funds for the completed projects at the end of the year were not returned to the Constituency bank account.

In the circumstances, the accuracy of the cash and bank balance totalling Kshs.35,814.626 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation revealed a final expenditure budget of Kshs.374,006,103 against and actual receipts of Kshs.221,734,687 resulting to under-funding of Kshs.152,271,416 or 41 % of the budget. Similarly, the Fund spent Kshs.185,920,061 against actual receipts of Kshs.221,734,687 resulting to an under-utilization of Kshs.35,814,626 or 16% of the actual receipts.

As a result of under-funding and under-utilization of funds, the Fund did not implement planned and approved projects in accordance with the approved programs thereby denying residents of Embakasi East Constituency services.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

The audit report for the year ended 30 June, 2023 raised several unsatisfactory issues in regard to balances reflected in the financial statements and lawfulness and effectiveness in use of resources. However, the issues remained unresolved as at 30 June, 2024.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on

Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregularities in Procurement of Unblocking of Sewer Line and Storm Water Drainage at Kisumu Ndogo and Kamola Village

The statement of receipts and payments and Note 6 to the financial statements reflects use of goods and services balance of Kshs.6,691,253. Included in the amount is Kshs.2,320,200 relating to payment of unblocking of sewer line and storm water drainage at Kisumu Ndogo and Kamola Village awarded to a local company via contract number EE/NGCDF/002/2023/2024. However, it was observed, the Fund awarded the supplier on 10 May, 2024 while, the LSO was raised on 6 May, 2024 which is 4 days before the award and the supplier was awarded on 10 May, 2024 and the contract entered into on 13 May, 2024 which is 3 days from the date of award. The Management has not explained why the LSO was raised before the award contrary to Section 135(3) of the Public Procurement and Assets Disposal Act, 2015 which states that the written contract shall be entered into within the period specified in the notification but not before fourteen days have elapsed following the giving of that notification provided that a contract shall be signed within the tender validity period.

In the circumstances, Management was in breach of procurement laws.

2. Irregularities in Construction of Classrooms in Donholm Primary School

Proposed construction of 3No. classrooms blocks with a slab was awarded to a local company at a contract sum of Kshs.4,498,328 via tender number EMBEAST/NGCDF/001/2021/2022/01. Physical inspection of the project in the month of November, 2024 and audit review of the project documents revealed the following anomalies;

- i. The architectural drawings, the bid documents and the Bill of Quantities were not provided for audit. It was not possible to confirm whether the project was constructed as per the specification in the bill of quantities.
- ii. There was poor workmanship on floor works done.
- iii. The ceiling was incomplete inside the classrooms and not installed on the eaves.
- iv. There were no gutters installed to harvest rain water.
- v. The project was complete but not labelled as a NGCDF project.
- vi. The contractor has been paid the retention money with no defects period report.

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

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

REPORT ON 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 effects of the matter 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 governance were not effective.

Basis for Conclusion

Lack of a Schedule of Meetings Held During the Year

The schedule of meetings to be held during the year were not provided for audit. Further, there was no evidence that circulars with agenda of meetings were sent to committee members prior to holding of the meetings as provided by the National Government Constituencies Development Fund Regulations, 2016.

In the circumstances, the effectiveness of the internal controls 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 controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024


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

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


	Note	2023-2024	2022-2023
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	204,994,698	87,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	3,000
TOTAL RECEIPTS		204,994,698	87,003,000
PAYMENTS			
Compensation of employees	4	3,618,551	4,469,790
Committee expenses	5	13,330,073	5,614,000
Use of goods and services	6	6,691,253	5,773,532
Transfers to Other Government Units	7	77,257,984	10,895,712
Other grants and transfers	8	85,022,200	52,557,000
Acquisition of Assets	9	-	-
Other Payments	10	-	3,450,000
TOTAL PAYMENTS		185,920,061	82,760,034
SURPLUS/DEFICIT		19,074,637	4,242,966

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


The Constituency financial statements were approved by the NGCDFC on 12th September, 2024 and signed by:



**Chairman NG-CDF
Committee
Name: Josephine owino**



**Fund Accountant Manager
Name: victor ouma**




**National Sub-County
Accountant
Name: Justus mutua
ICPAK M/No: 12228**

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


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

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	35,814,626	16,739,989
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		35,814,626	16,739,989
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		35,814,626	16,739,989
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	-	-
NET FINANCIAL ASSETS		35,814,626	16,739,989
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	16,739,989	12,497,023
Prior year adjustments	16	-	-
Surplus/Deficit for the year		19,074,637	4,242,966
NET FINANCIAL POSITION		35,814,626	16,739,989


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 12th September 2024 and signed by:



**Chairman NG-CDF
 Committee**
Name: Josephine owino



Fund Accountant Manager
Name: victor ouma

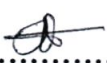



**National Sub-County
 Accountant**
Name: Justus mutua
ICPAK M/No: 12228


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

11. Statement of Cash Flows for the Year Ended 30th JUNE 2024

		2023-2024	2022-2023
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	204,994,698	87,000,000
Other Receipts	3	-	3,000
		204,994,698	87,003,000
Payments for operating activities			
Compensation of Employees	4	3,618,551	4,469,790
Committee expenses	5	13,330,073	5,614,000
Use of goods and services	6	6,691,253	5,773,532
Transfers to Other Government Units	7	77,257,984	10,895,712
Other grants and transfers	8	85,022,200	52,557,000
Other Payments	10	-	3,450,000
		185,920,061	82,760,034
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		19,074,637	4,242,966
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		19,074,637	4,242,966
Cash and cash equivalent at BEGINNING of the year	11	16,739,989	12,497,023
Cash and cash equivalent at END of the year		35,814,626	16,739,989

.....

**Chairman NG-CDF
Committee
Name: Josephine owino**

.....

**Fund Accountant Manager
Name: victor ouma**

.....

**National Sub-County
Accountant
Name: Justus mutua
ICPAK M/No: 12228**

17 JUNE 2024
 SENIOR
 M.P.A. M.V.V.

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

12. Summary Statement of Appropriation for the Year Ended 30th JUNE 2024

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 %
	<i>Fy 2023/2024</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>Fy 2023/2024</i>	<i>Fy 2023/2024</i>		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	241,614,772	16,739,989	115,651,343	374,006,103	221,734,687	152,271,416	59%
Proceeds From Sale of Assets				-	-	-	0%
Other Receipts				-	-	-	0%
Totals	241,614,772	16,739,989	115,651,343	374,006,103	221,734,687	152,271,416	59%
Payments							
Compensation of Employees	5,246,040	-		5,246,040	3,618,551	1,627,489	69%
Committee Expenses	6,254,854	6,576,239	700,000	13,531,093	13,330,073	201,020	99%
Use of Goods and Services	4,281,669	49,124	4,680,677	9,011,470	6,691,253	2,320,217	74%
Transfers to Other Government Units	137,689,826	-	91,097,347	228,787,173	77,257,984	151,529,189	34%
Other Grants and Transfers	88,142,383	10,114,626	19,020,749	117,277,758	85,022,200	32,255,558	72%
Acquisition of Assets			52,570	52,570	-	52,570	0%
Other Payments			100,000	100,000	-	100,000	0%
Funds Pending Approval**				-	-	-	-
Totals	241,614,772	16,739,989	115,651,343	374,006,103	185,920,061	188,086,042	50%

Explanatory Notes.

1. *Compensation of Employees- The underutilization is due to staff gratuity for the financial year 2023/2024 has not been paid.*
2. *Transfers to Other Government Units- this comprises of transfer to primary schools, secondary schools and tertiary institutions of which the under utilization is brought about by late disbursement of funds from NG-CDF Board.*
3. *Other Grants and Transfers- underutilization is brought about by late disbursement of funds from NG-CDF Board.*

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	188,086,042
Less undisbursed funds receivable from the Board as at 30 th JUNE 2024	152,271,416
	35,814,626
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 th JUNE 2024	35,814,626

SENIOR FINANCIAL OFFICER
 17 SEP 2024
 P.O. BOX 113-1000
 NAIROBI

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on	Budget utilization	
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements		comparable basis		difference
					Kshs		
1.0 Administration and Recurrent							
1.1 Compensation of employees	5,246,040	-	-	5,246,040	3,618,551	1,627,489	
1.2 Committee allowances	1,664,000	-	-	1,664,000	1,664,000	-	
1.3 Use of goods and services	3,611,669	49,124	1,450,677	5,111,470	5,111,470	(0)	
Sub-total	10,521,709	49,124	1,450,677	12,021,510	10,394,021	1,627,489	
2.0 Monitoring and evaluation							
2.1 Capacity building	3,134,854	628	700,000	3,835,482	3,749,350	86,132	
2.2 Committee allowances	1,456,000	6,575,611	-	8,031,611	7,916,723	114,888	
2.3 Use of goods and services	670,000	-	3,230,000	3,900,000	1,579,783	2,320,217	
Sub-total	5,260,854	6,576,239	3,930,000	15,767,093	13,245,856	2,521,237	
3.0 Constituency Oversight Committee (Itemize as per budget)							
3.1	-	-	-	-	-	-	
Sub-total	-	-	-	-	-	-	
4.0 Emergency	9,229,569	1,253,862	-	10,483,431	4,220,200	6,263,231	
4.1 Primary Schools		-	-	-	-	-	
4.2 Secondary schools		-	-	-	-	-	

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

4.3 Tertiary institutions		-	-	-	-	-
4.4 Security projects		-	-	-	-	-
4.41 UTAWALA CHIEFS OFFICE		1,250,000		1,250,000	1,250,000	-
Sub-total	9,229,569	2,503,862	-	11,733,431	5,470,200	6,263,231
5.0 Bursary and Social Security						
5.1 Primary Schools	48,644,724	-	-	48,644,724	28,942,000	19,702,724
5.2 Secondary Schools	21,000,000	6,610,636	15,804,157	43,414,793	43,185,000	229,793
5.3 Tertiary Institutions	-	-	-	-	-	-
5.4 Universities	-	-	-	-	-	-
5.5 Education Support Programmes	500,000	-	-	500,000		500,000
5.6 Social Security	-	-	-	-		-
Sub-total	70,144,724	6,610,636	15,804,157	92,559,517	72,127,000	20,432,517
6.0 Sports						
6.1		1,000,128	2,901,752	3,901,880	3,870,000	31,880
6.2	-	-	-	-	-	-
Sub-total		1,000,128	2,901,752	3,901,880	3,870,000	31,880
7.0 Environment						
7.1	8,768,090	-	-	8,768,090	6,965,106	1,802,984
7.2		-	-	-		-
Sub-total	8,768,090	-	-	8,768,090	6,965,106	1,802,984
8.0 Primary Schools Projects						
(List all the Projects)						
8.1 FAGILIA PRIMARY SCHOOL	25,285,284	-	-	25,285,284	-	25,285,284
8.2 DONHOLM PRIMARY SCHOOL	1,000,000	-	-	1,000,000	463,681	536,319
8.3 EMBAKASI PRIMARY SCHOOL	1,000,000	-	-	1,000,000	407,633	592,367
8.4 EDELVELE PRIMARY SCHOOL	1,000,000	-	-	1,000,000	-	1,000,000
8.5 MAUA PRIMARY SCHOOL	436,864	-	-	436,864	-	436,864
8.6 EMBAKASI PRIMARY SCHOOL	7,429,433	-	-	7,429,433	7,429,433	-

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

8.7 EMBAKASI GARRISON PRY SCH	7,429,433	-	-	7,429,433	7,429,433	-
Donholm primary school	15,000,000			15,000,000	-	15,000,000
Donholm primary school-Toilets	12,500,000			12,500,000	-	12,500,000
Maua primary school	20,000,000			20,000,000	-	20,000,000
EMBAKASI PRIMARY SHOOOL	11,323,529			11,323,529	-	11,323,529
8.8 TASSIA PRIMARY SCHOOL		-	1,652,520	1,652,520	-	1,652,520
8.9 ELDEVALE PRIMARY SCHOOL		-	19,401,003	19,401,003	14,300,000	5,101,003
8.91 GIKAMBU PRIMARY SCHOOL		-	1,575,000	1,575,000	1,575,000	-
8.92 Embakasi primary school		-	8,300,000	8,300,000	4,740,000	3,560,000
8.93 Maua Primary School		-	65,000	65,000		65,000
8.94 Donholm primary school		-	8,300,000	8,300,000	4,740,000	3,560,000
8.95EDELVELE PRIMARY SCHOOL		-	8,300,000	8,300,000	4,740,000	3,560,000
		-	-	-		
Sub-total	102,404,542	-	47,593,523	149,998,065	45,825,180	104,172,885
9.0 Secondary Schools Projects (List all the Projects)						
9.1 TASSIA MABATINI SEC SCHOOL	25,285,284	-	-	25,285,284	-	25,285,284
9.2 Donholm sec school		-	28,486,381	28,486,381	28,022,698	463,683
9.3 Utawala Secondary School		-	17,444	17,444	-	17,444
9.4 Mihango secondary school		-	15,000,000	15,000,000	-	15,000,000
Sub-total	25,285,284	-	43,503,825	68,789,108	28,022,698	40,766,410
10.0 Tertiary institutions Projects (List all the Projects)						
10.1 EMBAKASI EAST TVET	10,000,000			10,000,000		10,000,000
10.2				-		-
10.3				-		-
Sub-total	10,000,000			10,000,000		10,000,000

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

11.0 Security Projects						
11.1 Embakasi ward Security high Mast.	-	-	103,758	103,758		103,758
11.2 Lower savannah Security high Mast.	-	-	3,568	3,568		3,568
11.3 Upper savannah Security high Mast.	-	-	103,757	103,757		103,757
11.4 Mihango ward Security high Mast.	-	-	103,757	103,757		103,757
Sub-total	-	-	314,840	314,840		314,840
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)	-			-		-
12.2 Construction of CDF office	-			-		-
12.3 Purchase of furniture and equipment	-		52,570	52,570		52,570
12.4 Purchase of computers	-			-		-
12.5 Purchase of land	-			-		-
Sub-total	-		52,570	52,570		52,570
13.0 Others						
13.1 Strategic Plan			50,000	50,000		50,000
13.2 Innovation Hub				-		-
13.2				-		-
Funds pending approval**			50,000	50,000		50,000
Sub-total			100,000	100,000		100,000
Total	241,614,772	16,739,989	115,651,343	374,006,103	185,920,061	188,086,042

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Recognition of Receipts

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

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

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

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. Unutilized Funds from PMCs.

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

e. External Assistance

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

5. Recognition of payments

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

a) Compensation of Employees

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

b) Use of Goods and Services

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

c) Acquisition of Fixed Assets

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

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

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

6. In-kind contributions

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

7. Cash and Cash Equivalents

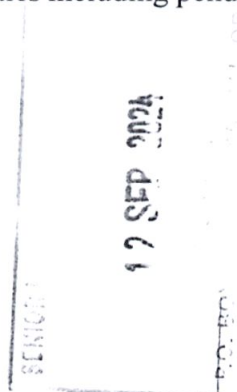
Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account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

8. Accounts Receivable

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

9. Accounts Payable

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



10. Pending Bills

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

11. Unutilized Fund

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

12. Budget

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

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

13. Comparative Figures

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

14. Subsequent Events

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

15. Prior Period Errors

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

16. Related Party Transactions

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

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15. Notes to the Financial Statements

1. Transfers from NGCDF Board

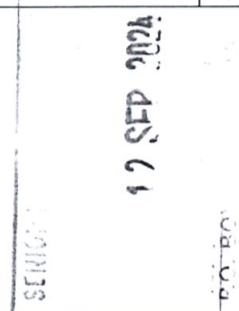
Description	2023-2024	2022-2023
NGCDF Board	Kshs	Kshs
AIE NO. B185042		7,000,000
AIE NO. B185585		21,000,000
AIE NO. B185870		5,000,000
AIE NO. B206327		12,000,000
AIE NO. B205713		12,000,000
AIE NO. B205973		15,000,000
AIE NO. B207791		15,000,000
AIE NO B214246	27,430,958	
AIE NO B214037	30,319,861	
AIE NO B214165	26,680,524	
AIE NO B225001	30,000,000	
AIE NO B225473	30,000,000	
AIE NO B233994	20,000,000	
AIE NO B226391	40,000,000	
AIE NO B214578	508,355	
AIE NO B214732	55,000	
TOTAL	204,994,698	87,000,000

2. Proceeds From Sale of Assets

	2023-2024	2022-2023
	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)	-	-
Total	-	-

3. Other Receipts

	2023-2024	2022-2023
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	-	3,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	3,000



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4. Compensation of Employees

	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,269,660	2,603,140
Personal allowances paid as part of salary		-
House Allowance		-
Transport Allowance		-
Leave allowance		-
Gratuity to contractual employees		1,767,930
Employer Contributions Compulsory national social security schemes	246,850	98,720
Employer Contributions Compulsory Housing levy	99,841	-
Employer contributions to National Industrial Training Authority	2,200	-
Total	3,618,551	4,469,790

5. Committee Expenses

	2023-2024	2022-2023
	Kshs	Kshs
A. NG CDFC		
Sitting allowance	1,058,000	1,146,000
Other committee expenses	12,272,073	4,468,000
Sub total	13,330,073	5,614,000
B. Constituency Oversight Committee		
Allowances	-	-
Other committee expenses	-	-
Sub total	-	-
Total (A+B)	13,330,073	5,614,000

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6. Use of Goods and services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	52,202	197,685
Communication, supplies and services	662,000	286,000
Domestic travel and subsistence	1,740,000	150,000
Printing, advertising and information supplies & services	1,255,320	-
Office rent	1,529,711	1,405,220
Rentals of produced assets	-	-
Training expenses	-	2,073,002
Hospitality supplies and services	430,000	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	956,048	1,661,625
Fuel, oil & lubricants	-	-
Bank Charges	-	-
Other operating expenses	65,972	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
Other operating expenses	-	-
Total	6,691,253	5,773,532

7. Transfer to Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers To Primary Schools	49,235,286	4,925,000
Transfers To Secondary Schools	28,022,698	5,970,712
Transfers To Tertiary Institutions	-	-
Total	77,257,984	10,895,712

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8. Other Grants and Other transfers

	2023-2024	2022-2023
	Kshs	Kshs
Bursary – secondary schools	28,942,000	41,467,000
Bursary – tertiary institutions	43,185,000	8,055,000
Bursary – special schools	-	-
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	-	-
Security projects	1,250,000	-
Sports projects	3,870,000	3,035,000
Environment projects	3,555,000	-
Emergency projects	4,220,200	-
Roads projects	-	-
Total	85,022,200	52,557,000

9. Acquisition Of Assets

	2023-2024	2022-2023
	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	-	-
Total	-	-

*National Government Constituencies Development Fund (NGCDF)
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10. Other Payments

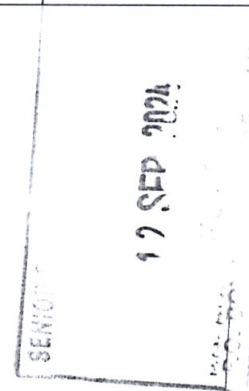
	2023-2024	2022-2023
	Kshs	Kshs
Strategic plan	-	3,450,000
ICT Hub	-	-
Others	-	-
Total	-	3,450,000

11. Cash and Cash Equivalents

Name of Bank and Account No.	Insert current FY	Insert Comparative FY
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank Donholm-0820261417294</i>	35,814,626	16,739,989
<i>Equity Bank Donholm-0820261417294</i>	-	-
<i>Name of Bank, account No. (Deposit)</i>	-	-
Total	35,814,626	16,739,989
11B: Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	35,814,626	16,739,989
<i>[Provide Cash Count Certificates for Each]</i>		

12. Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total		-	-	-



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13. Retention

	<i>Insert current FY</i>	<i>Insert Comparative FY</i>
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

Retentions aging analysis.

	FY 2023/2024	% of the total Retention	FY 2022/2023	% of the total Retention
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

14. Gratuity

	<i>2023-2024</i>	<i>2022-2023</i>
	KShs	KShs
Gratuity as at 1 st July (A)	-	1,767,930
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	1,767,930
Closing Gratuity as at 30th June D= A+B-C	-	-

	2023-2024	% of the total Gratuity	2022-2023	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	100 %	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

15. Fund Balance B/F

	(1 st July 2023)	(1 st July 2022)
	Kshs	Kshs
Bank accounts	16,739,989	12,497,023
Cash in hand	-	-
Imprest	-	-
Total	16,739,989	12,497,023
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	16,739,989	12,497,023

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	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

17. Changes In Accounts Receivable – Outstanding Imprests

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

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18. Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1 st July (A)	-	-
Gratuities and Retentions held during the year (B)	-	-
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

Aging Analysis for Pending Accounts Payables

	2023-2024	% of the total	2022-2023	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.2: Pending Staff Payables (See Annex 2)

	2023-2024	2022-2023
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

	2023-2024	% of the total	2022-2023	% of the total
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Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

Aging Analysis for staff Payables

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19.3: Unutilized Fund (See Annex 3)

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Compensation of employees	1,627,489	1,075,611
Committee expense	44,867	49,752
Use of goods and services	156,370	
Amounts due to other Government entities	92,705,660	107,027,347
Amounts due to other grants and other transfers	34,575,758	22,635,375
Acquisition of assets	52,570	52,570
Oversight Committee Expenses		1,450,876
Others-Strategic plan	100,000	50,000
Funds pending approval		50,000
Total	129,262,713	132,391,531

19.4: PMC account balances (See Annex 5)

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
PMC account balances	44,319,040	9,873,019
Total	44,319,040	9,873,019

19.5 Related Party Transactions

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,058,000	1,146,000
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	204,994,698	87,000,000
Total	204,994,698	87,000,000

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16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th JUNE 2024	Comments
NG-CDFC Staff				
1.	-	-	-	-
2.	-	-	-	-
3.	-	-	-	-
Sub-Total	-	-	-	-
Grand Total	-	-	-	-

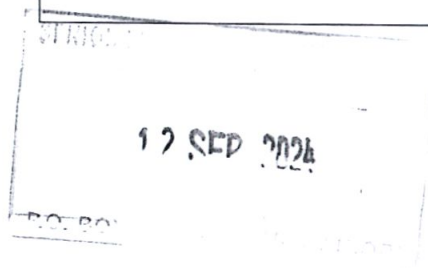
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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	comments
		2023-2024	2022-2023	
Compensation of employees		1,627,489	1,075,611	
Use of goods & services		201,237	49,752	
Amounts due to other Government entities				
TASSIA PRIMARY SCHOOL	Construction of one storey building tuition block Phase 1 with 12 Classrooms, 2 flush toilets for Boys & Girls	1,652,520	25,882,520	
ELDEVALE PRIMARY SCHOOL	Re-roofing of 24 No of classrooms, fixing of IT5 box profile roofing sheets, fixing of rainwater goods and fiasco board, fixing of new window panes and glazing and replacing of chipboard ceiling.	9,661,003	19,401,003	
GIKAMBU PRIMARY SCHOOL	Construction of 1 classroom to completion		1,575,000	
Embakasi primary school	Purchase of 1 school bus	4,152,367	8,300,000	
Maua Primary School	constructions	501,864	65,000	
Donholm primary school	Purchase of 1 school bus	4,096,319	8,300,000	
Donholm sec school	Construction of a new administration block	463,683	28,486,381	
Utawala Secondary School	Balance on renovation of classrooms	17,444	17,444	
Mihango secondary school	Construction of 12 new storied classrooms	15,000,000	15,000,000	
FAGILIA PRIMARY SCHOOL	Construction of a new administration block	25,285,284	-	
TASSIA MABATINI SEC SCHOOL	constructions	25,285,284	-	
EMBAKASI EAST TVET	New institution	10,000,000		
Sub-Total		97,944,492	108,152,710	
Amounts due to other grants and other transfers				
EMERGENCY	Emergency Occurrences	8,583,431	8,003,862	
BURSARY SEC	Bursary To Needy Students	20,702,724	8,533,000	
BURSARY TERTIARY	Bursary To Needy Students	229,793	2,881,793	

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Education Support Programmes	Bursary To Needy Students	500,000	-
SPORTS	sports tournament	128	128
ENVIRONMENT	Supply of water tank to schools	834,736	2,901,752
10.1 Embakasi ward Security high Mast.	Security Projects	103,758	103,758
10.2 Lower savannah Security high Mast.	Security Projects	3,568	3,568
10.3 Upper savannah Security high Mast.	Security Projects	103,757	103,757
10.4 Mihango ward Security high Mast.	Security Projects	103,757	103,757
Sub-Total		129,110,143	130,577,003
Acquisition of assets			
furniture and equipment	Purchase of office furniture's	52,570	52,570
Oversight Committee Expenses(itemize)			
	Coc sitting allowances	-	300,000
	COC Travel allowances	-	240,000
	COC Travel allowances to projects	-	300,000
	COC Travel allowances daily routines	-	165,000
	COC advertising costs	-	245,876
	COC Travel allowances	-	200,000
Others (specify)			
Strategic plan	Embakasi East strategic plan 2022-2027	50,000	50,000
Sub-Total		129,212,713	132,130,449
Funds pending approval		50,000	50,000
Grand Total		129,262,713	132,180,449



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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	697,430	-	-	697,430
ICT Equipment, Software and Other ICT Assets	273,000	-	-	273,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	2,340,479	-	-	2,340,479
Intangible assets	-	-	-	-
Total	3,310,909	-	-	3,310,909

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

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Edelvale Pri Re-roofing 12 Classes pmc	Equity	0820280987080	1,617,810	4,377
Embakasi Garrison pmc	Equity	0820280850644	7,217,190	225,469
Donholm sec Sch Tuition Block pmc	Equity	0820280998871	26,416,775	6,580,360
Mihango sec sch laboratory pmc	Equity	0820280981064	84,864	84,864
mihango sec sch Toilet block pmc	Equity	0820280981088	592	227,816
Donholm Primary sch pmc	Equity	0820282788352	4,274	185,343
Utawala Academy pmc	Equity	1790282775346	447,503	1,956,809
Gikabu mwangaza pri sch pmc	Equity	0820282733357	785,424	52,807
Embakasi DCI Police Post	Equity	0820279829224	426,055	426,055
Embakasi East Primary School Desks Pmc	Equity	0820279644399	289	289
Maua Primary School Project	Equity	1790278928152	3,081	3,081
Mihango Primary School Project	Equity	0820278988469	1,466	1,466
Embakasi Primary School-Pmc	Equity	0820280199450	7,218,392	28,959
Utawala Secondary School Bus Pmc	Equity	0820280560592	22,250	22,250
Mihango Secondary School Bus Pmc	Equity	0820280208850	615	615
Embakasi East water TANKS PMC	Equity	0820280204422	72,460	72,460
Total			44,319,040	9,873,019

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/NRO/NGCDF-EMBAKASI EAST/2021-2022(2) dated 13 TH April 2023	Summary of Statement of Appropriation for the Year ended 30th June 2022, in page 4 of the financial statements contain some unnecessary notes that should be removed.	It's true that the Summary of Statement of Appropriation for the Year ended 30th June 2022 had some unnecessary notes and has been removed as per the attached copy of amended financial statements.	<i>Resolved</i>	<i>Resolved</i>
OAG/NRO/NGCDF-EMBAKASI EAST/2021-2022(2) dated 13 TH April 2023	The summary statement of appropriation reflects final receipts budget and actual on comparable basis totaling to Kshs.228, 466,380 and Kshs.170, 902,417 respectively, resulting to an underfunding amounting to Kshs.57, 563,941 or 25% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.228,466,379 and Kshs.158,405,417 respectively, resulting to an under expenditure of Kshs.70,060,962 or 31% of the budget.	The under expenditure was caused due to Late disbursement of funds from CDF BOARD- 2. In the financial year 2021/2022, as an election year, there were many challenges in funding and implementing the project. The management will re-look at its budgeting mechanism with a view to focusing on areas which will improve service delivery to the citizens of Embakasi East.	<i>Resolved</i>	<i>Resolved</i>
OAG/NRO/NGCDF-EMBAKASI EAST/2021-2022(2) dated 13 TH April 2023	Failure to Submit Monthly Bank Reconciliation Statements to the Office of the Auditor General	As per the advice given by the office of the Auditor General-Embakasi east NG-CDF will be submitting the reconciliations by 10 th of the subsequent month	<i>Resolved</i>	<i>Resolved</i>

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Name

Fund Account Manager.