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THE TABLE:

ESTHER NGINYO

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIBWEZI EAST CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2023



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KIBWEZI EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

1. National Government Constituencies Development Fund Board (NGCDFB)
11. National Government Constituency Development Fund Committee (NGCDFC)

Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Alex Muinde
2.	Sub-County Accountant	Amos Kasyoka
3.	Chairman NGCDFC	Esther Munyao
4.	Member NGCDFC	Anna Wasya

(c) Fiduciary Oversight Arrangements

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

(d) Kibwezi- East Constituency NGCDF Headquarters

NG-CDF Building
Kambu Market
P.O. Box 22-90137
Kibwezi, KENYA

(e) Kibwezi East Constituency NGCDF Contacts

Telephone: (254) 711181096
E-mail: cdfkibwezieast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) Kibwezi-East Constituency NGCDF Bankers

KCB Bank
A/C Number 1148225552
Kibwezi Branch

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



**ESTHER MUNYAO, CHAIRPERSON
KIBWEZI EAST NG CDF**

The financial year 2022/2023 was a year which witnessed a transition and as a result a number of targets were achieved and others are in the process of being implemented. Disbursements from exchequer were received amounting to Kshs 91,000,000. The funds were apportioned as reflected in the pie chart below. Transfers to other government entities amounted to kshs 17,955,893 which was basically utilised for construction and renovation of classrooms, laboratories as well as other education infrastructure projects. Other grants and transfers funds amounted to kshs 37,932,240 which was utilised for activities such as award of bursary to bright and needy students. Kibwezi East NG CDF is committed to reduce illiteracy level within the constituency by continuously investing in bursary awards to needy students who hail from the constituency. Bursary award is basically done in public open forum whereby the public is engaged in identification of needy students and ranking the students based on the level of poverty and other parameters such as dependency level. Additionally, we are striving to engage in environmental conservation by undertaking in rain water harvesting in schools by roof catchment and planting tree seedlings which in future shall help in mitigating effects of climate change.

During the year under review, the management of Kibwezi East NG CDF recruited staff competitively and we are committed to train them so as to enhance the level of service delivery as well as efficiency in our organization. In this regard we utilised Ksh 1,728,372 on matters to do

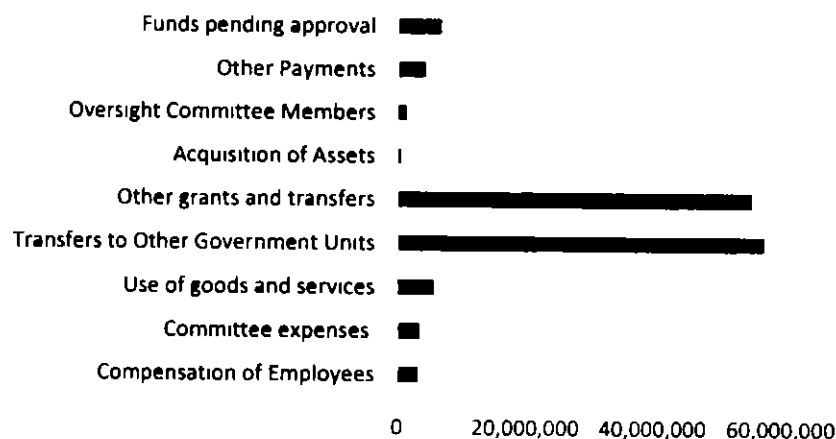
Kibwezi East Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

with remuneration of employees. Committee expenses, oversight committee expenses and acquisition of assets utilisation is as shown in the pie chart.

TABLE SHOWING ORIGINAL BUDGET AMOUNT FOR FISCAL YEAR 2022/2023

Activity Budgeted	Amount in Kshs
Compensation of Employees	3,267,840
Committee expenses	3,528,000
Use of goods and services	5,643,512
Transfers to Other Government Units	57,358,400
Other grants and transfers	55,441,531
Acquisition of Assets	614,000
Oversight Committee Members	1,382,150
Other Payments	4300000
Funds pending approval	6,679,600
Total budgetary allocation for 2022/2023	138,215,033

Kibwezi East original budget allocations

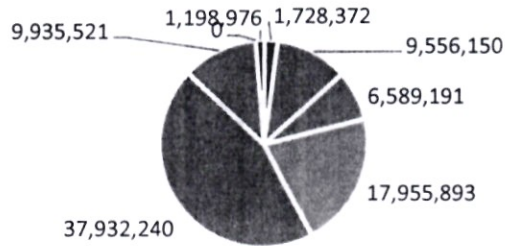


UTILIZATION OF FUND BY SECTORAL CATEGORIES

Activity	Amount in (Kshs)
Compensation of employees	1,728,372
Committee expenses	9,556,150
Use of goods and services	6,589,191
Transfers to Other Government Units	17,955,893
Other grants and transfers	37,936,240
Acquisition of Assets	9,935,521
Oversight Committee Expenses	-

Other Payments	1,198,976
Total	84,900,343

Kibwezi East Budget utilization



- Compensation Of Employees
- Use Of Goods and Services
- Other Grants and Transfers
- Oversight Committee members
- Committee expenses
- Transfers To Other Government Units
- Acquisition Of Assets
- Other Payments

Below are some of the projects which were implemented in fiscal 2022/2023 and a brief history of the project



ITUUMO PRIMARY SCHOOL

Scope of work-Construction of administration block

The above-mentioned project was funded in the financial year 2021/2022 with an allocation amounting to 1,600,000 Kshs and in the subsequent financial year it was allocated an additional kshs 900,000. The ultimate objective of the project was to enhance service delivery by having an administrative office whereby teachers can serve pupils well. The project is complete and it is in use



2.Kalulu secondary school

Scope of work-Construction of administration block

Kalulu secondary school was allocated kshs 2,000,000 in fiscal year 2021/2022 and the amount was top up to a tune of 1,300,000 in the fiscal year 2022/2023. The scope of work entailed construction of a 7-room administration block. The project is complete and in use and it has also enhanced service delivery since teachers can serve students well.

Emerging issues

Following change of curriculum, the initial plan was to construct the classrooms for Junior secondary school at secondary school. However, the change by the government to locate the junior secondary schools at primary implies that Kibwezi East NG CDF will make a commitment to fund

the aforementioned entities so as to ease congestion in school. In implementing the above project, we shall liaise with ministry of education so as to identify most pressed schools

Challenges

We do propose that the allocation to NG CDF to be increased marginally so as to address many challenges at the grassroots level



.....
Name: Esther Munyao
CHAIRPERSON NGCDF COMMITTEE

IV. Statement of performance against predetermined objectives for FY 2022/23

Introduction

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

The key development objectives of **Kibwezi-East Constituency 2021-2025** plan are to:

- To improve access to quality education.
- To harness youth talent and empower them.
- To cater for any unforeseen occurrences in the constituency.
- To promote environmental sustainability in the constituency.
- To enhance security in the constituency.
- To improve tracking of implementation CDF programmes.
- To promote performance management and smooth running of the CDF office.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Performance
Education infrastructure and access in primary schools	To ensure all children of school going age attending school in a Conducive learning environment in the Constituency	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions by promoting the friendly learning environment	In FY 2022/20223 -we increased number of renovated classrooms in primary schools from 561 to 562 -increased number of admin blocks in primary schools from 19 to 20 -Increased number of primary schools fenced from 1 to 2 - Increased number of Secondary schools fenced from 2 to 3 -Increased number of admin blocks in secondary schools from 12 to 14 -Increased number of dining halls constructed at secondary schools from 6 to 8 -Increased number of

			laboratories funded in secondary schools from 33 to 34
Security and administrative infrastructure	Equip and improve the working environment of security organs	Improved infrastructures of Chiefs offices and Police stations and officers' residential lines	In the Financial year 2021/2022, - 1 administrative offices were established increasing from 19 to 20 -1 police post was established increasing from 4 to 5
ICT	Enhance access to ICT infrastructure	Have a fully equipped operational ICT hub in every Ward	Equipped the existing 4 ICT Hubs in the constituency
Environment	To promote environmental sustainability in the constituency.	To combat the effects of climate change	Purchase tanks for schools as well roof catchment increasing the number of schools from 70 to 77

V. Statement of governance

Introduction

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

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

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

(4) The selection panel referred to in paragraph (1) shall consist of—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

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

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

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

(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

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

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

1952 Kenya Subsidiary Legislation, 2016

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

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

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

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

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

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

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43 and its regulations provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the

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process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

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

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

Appointment of NGCDFC Members

The selection Panel

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

SNO	NAME	DESIGNATION
1	Agnes Maswai Muya	Chair
2	Samuel Mutisya	Secretary
3	Dominic Muteti	Member
4	Consolata Kyalo	Member

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

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

A. Members nominated through the selection panel

No	Name	Category	WARD
1	Francis Mutuku Mbatha	Man	Ivingoni/ Nzambani
2	Paul Mwaniki Katunge	Man- Youth	Thange: DWA- Estate
3	Esther Mutindi Munyao	Woman	Masongaleni

4	Annah Wasya Mulei	Woman- Youth	Thange
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Nominee of the body representing persons with disability

S/N	Name	Nature of physical Impairment	Ward
1	Winston Mulili	Physical	Mtito- Andei DPO

Nominee of the constituency Office

No	Name	ID Number	Sex
1	Rev. Joseph Mutisya	11255654	Male
2	Ann Muunde Nthenge	21010495	Female

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

No	Name	ID Number	Ward
1	Josephine Twili Ndungi	14524346	Ivingoni/ Nzambani

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

1. Chairperson position – Esther Munyao
2. Secretary position – Francis Matuku Mbatha

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

The appointed committee members were gazetted through Gazetted volume 250 on December

The new committee held its first meeting on 22nd December 2022

S/No	Name	Position
1	Esther Munyao	Chairperson
2	Francis Matuku Mbatha	Secretary
3	Winston Mulili	Member
4	Anna Wasya	Member
5	Anna Muumbe	Member
6	Paul Mwaniki Katunge	Member

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7	Joseph Mutisya	Member
8	Winston Mulili	Member
9	Alex Munde	Fund Manager/Ex Official member
10	Josephine Twili Ndungi	Member
11	Paul Khaoya	Member/Deputy County Commissioner

Removal of NGCDFC Members

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

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

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

Roles and functions of NG-CDFC

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

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.

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

Training of NG-CDFC Members

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

Number of meetings held

NGCDF ACT SEC43(11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings. During the financial year 2022/2023 the NGCDFC Kibwezi East held 11 meetings through the year by the current committee as illustrated as follows;

Kibwezi East Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Schedule of meetings held during the FY 2022/2023**

S.No	NG-CDFC COMMITTEE MEMBERS	28 th December 2022	2 nd January 2023	10 th January 2023	20 th January 2023	6 th Mar 2023	28 th Mar 2023	18 th April 2023	24 th March 2023	22 nd May 2023	29 th May 2023	12 th June 2023
1	Esther Mutindi- chairperson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Francis Matuku Mbatha- Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Joseph Mutsya- member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Anna Wasya- Member.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Anna Muumbe- member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Paul Katunge- member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Winston Muhii-PWD	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Josephine T- Member	✓	X	X	X	X	X	X	X	X	X	X
9	Alex Muinde -FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

10	Paul Khoya-DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
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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 2022/2023 members of NGCDFC Kibwezi East adhered to the above ethical issues.

Members remuneration

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

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

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2022/2023 no member of NGCDFC Kibwezi East contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund

account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

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

VI. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

Kibwezi East NG CDF undertook environment projects which included roof water harvesting and purchase of water tanks of 10,000 litre capacity. The aforementioned activity was carried out in several institutions with the ultimate goal of conservation of water. Additionally, each school which was funded with the above-mentioned activity, there was also an additional activity of purchase of tree seedlings so as to combat the adverse effects of climate change within the constituency.

Additionally, Kibwezi East NG CDF strives to enhance talent development by organizing sports tournament whereby we seek to identify and nurture talent at the constituency level.

Investing of security offices has substantially lowered crime rates within the constituency. Service delivery to mwananchi has immensely improved within the constituency after investing in construction of administrative offices

3. Employee welfare

We invest in providing the best working environment for our employees. Kibwezi-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 are based on performance appraisal.

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

Kibwezi-East NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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


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

Public Awareness

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

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


.....
Name: Alex Mungile Sign:.....
Fund Account Manager Box 1-90137, KIBWEZI



I. 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 Kibwezi 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, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF Kibwezi-East Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kibwezi-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 Kibwezi East Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted


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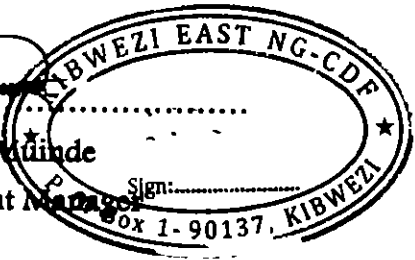
for. Further the Accounting Officer confirms that the constituency’s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Kibwezi-East Constituency financial statements were approved and signed by the Accounting Officer on Sept 15th 2023.

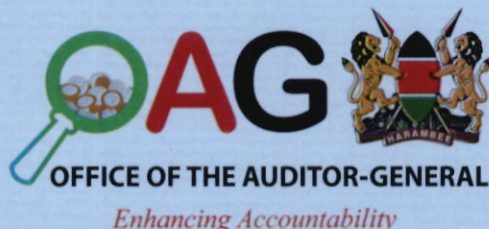

.....
Name: Esther Munyao
Chairman – NGCDF Committee


.....
Name: Alex Mũnde
Fund Account Manager



REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Kibwezi East Constituency set out on pages 1 to 52,

Report of the Auditor-General on National Government Constituencies Development Fund – Kibwezi East Constituency for the year ended 30 June, 2023

which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Kibwezi East Constituency as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

1. Unconfirmed Project Management Committee Account Balances

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) account balances of Kshs.6,971,165 relating to nineteen (19) projects which had been completed during the year. However, the bank confirmation certificates, bank statements, cash books and bank reconciliation statements for the accounts were not provided for audit.

Further, the unspent balances had not been returned to the main Fund account and the respective PMC bank accounts closed. This was contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which provides that all unutilized funds of the PMC to be returned to the Constituency Account.

In the circumstances, the accuracy and completeness of PMC account balance of Kshs.6,971,165 could not be confirmed.

2. Misclassification of Committee Expenses

The statement of receipts and payments reflects an amount of Kshs.9,556,150 in respect of committee expenses as disclosed in Note 5 to the financial statements. The amount includes Kshs.5,175,277 relating to other committee expenses out of which Kshs.1,174,000 was incurred on capacity building. However, review of expenditure records revealed that an amount of Kshs.968,000 was charged under facilitation for the capacity building while Kshs.206,000 was charged under use of goods and services. Thus, the committee expenses amount was understated by Kshs.206,000 while the use of goods and services was overstated by the same amount.

In the circumstances, the accuracy and completeness of the committee expenses amounting to Kshs.5,175,277 could not be confirmed.

3. Unsupported Other Grants and Transfers

The statement of receipts and payments and as disclosed in Note 8 to the financial statement reflects an amount of Kshs.37,936,240 in respect of other grants and transfers. Included in the amount were security projects amounting to Kshs.1,600,000 out of which Kshs.600,000 was incurred on renovation of four (4) houses and electrical works to completion of Kinyambu Police Station office block. However, the invoices and payment vouchers in support of the expenditure were not provided for audit.

In the circumstances, the accuracy and regularity of the expenditure amounting to Kshs.600,000 could not be confirmed.

4. Unsupported Bursary Disbursements

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects other grants and transfers amount of Kshs.37,936,240, which includes disbursements totalling Kshs.29,783,000 comprised of Kshs.20,197,000 and Kshs.9,586,000 disbursed to secondary schools and tertiary institutions respectively. However, no acknowledgement receipts from the recipient, institutions were provided for audit and the Fund did not have a bursary sub-committee for effective and efficient administration of the education bursary. Further, the officer in charge of Education in the Sub-County was not involved in bursary issuance contrary to the Fund set guidelines.

In addition, the Fund did not have a bursary award criteria, although the Fund committee minutes dated 13 March, 2023 ratified the minimum limits to be allocated to various categories of applicants with no clear process on how the needy cases were to be identified.

In the circumstances, the accuracy, completeness and regularity of the bursary disbursement of Kshs.29,783,000 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs.190,808,210 and Kshs.143,593,177 respectively, resulting to an under-funding of Kshs.47,215,033 or 25% of the budget. However, the Fund spent Kshs.84,900,343 against actual receipts of Kshs.143,593,177 resulting to an under-utilization of Kshs.58,692,834 or 41% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management did not resolve the issues or provide any explanation for failure to resolve the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregularities in Procurement

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.17,955,893 in respect to transfers to other Government units. However, review of project records revealed the following anomalies:

1.1 Proposed Completion of a Dining Hall at Kiatengei Secondary School

The contract for the proposed completion of a dining hall at Kiatengei Secondary School was awarded to a contractor during the year under review at a contract sum of Kshs.2,998,995. However, the firm's National Construction Authority certificate attached to the bid document expired on 19 June, 2022, while annual contractor certificate had expired on 30 June, 2020. In addition, the practicing certificate of the procurement officer was not provided for audit therefore, it was not possible to confirm regularity of the procurement opinion issued.

1.2 Proposed Construction of Chain Fence and Gate at Muthunge Primary School

The contract for the proposed construction of chain fence and gate at Muthunge Primary school was awarded during the year under review at a contract sum of Kshs.1,998,885. However, the KRA tax compliance certificate for the contractor had expired. Further, no practicing certificate of the procurement officer was attached for audit and therefore, it was not possible to confirm regularity of the procurement opinion issued.

1.3 Proposed Supply and Installation of 10,000 Litres Water Tank at Mbukoni Primary School

The contract for supply and Installation of 10,000 litres water tank, construction of tank base, water harvesting gutters (rainwater) and tree seedlings planting at Mbukoni Primary School was awarded at a contract sum Kshs.248,670. However, the technical evaluation criteria did not have specifications on quality of tanks to be supplied. Further, the practicing certificate of the procurement officer was not provided. It was therefore not possible to confirm the regularity of the procurement.

1.4 Proposed Supply and Installation of 10,000 Litres Water Tank Yimbuvi Primary School

The contract for the supply and installation of 10,000 litres water tank, construction of tank base and water harvesting gutters (rain water goods) at Yimbuvi Primary School was awarded during the financial year at a contract sum of Kshs.199,500. However, no specifications were set in the tender documents specifying the quality of tanks required and it was therefore not possible to establish if the Fund got value for money. Further, no practicing certificate was attached for the procurement officer and it was therefore not possible to confirm regularity of the procurement opinion issued.

1.5 Direct Procurement of Training Facilities

The tender for provision of training facilities was awarded during the financial year at a contract sum of Kshs.1,620,000. However, the tender was awarded through direct procurement, contrary to Section 91(i) of Public Procurement and Asset Disposal Act, 2015 which recommends open tendering as the preferred method.

In the circumstances, value for money on the expenditure totalling Kshs.9,065,832 on the project could not be confirmed.

2. Failure to Report Emergency Projects to the Board

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects an amount of Kshs.37,936,240 in respect to other grants and transfers which includes an expenditure amounting to Kshs.4,855,000 relating to emergency projects. However, there was no evidence that Management reported the implementation of emergency projects to the NG-CDF Board within 30 days of their occurrence as stipulated in Regulation 20(2) of the National Government Constituencies Development Fund Regulations 2016.

In the circumstances, value for money on the projects could not be confirmed and Management was in breach of the law.

3. Poor Contract Management

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.17,955,893 in respect to transfers to other Government units. Included in the amount is Kshs.9,000,000 in respect of projects for various schools. However, field inspection of the projects revealed the following anomalies:

3.1 Masaku Ndogo Secondary School

Physical inspection conducted in the month of March, 2024 at Masaku Ndogo Secondary School on the thirty (30) capacity laboratory project worth Kshs.2,000,000 revealed that the 1000 litres water tank was poorly suspended on wooden plunks. Further, two (2) coats of paint work were applied instead of three (3) coats as per the Bills of Quantity.

3.2 Kitengei Secondary School

Physical inspection of Kitengei Secondary School dining hall whose contract was awarded at contract sum of Kshs.3,000,000 revealed that two coats of paint work was applied instead of three (3) as per the Bills of Quantity. Further, fixing of electrical conduits was done in only two (2) front points instead of the entire dining hall. In addition, the flooring was not done using tiles as indicated in the approved code list.

3.3 Muthungue Secondary School

Physical inspection conducted in Muthungue Secondary School on construction of a three hundred (300) student capacity dining hall revealed that two coats of paint work was applied instead of three as per the Bills of Quantity.

In the circumstances, value for money on the expenditure totalling Kshs.9,000,000 incurred on the projects could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 to sustain its services, disclosing as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 June, 2024


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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Transfers from NGCDF Board	1	91,000,000	182,277,758
Proceeds from Sale of Assets	2	-	-
Other receipts	3	884,748	-
Total receipts		91,884,748	182,277,758
Payments			
Compensation of Employees	4	1,728,372	3,214,547
Committee expenses	5	9,556,150	2,114,500
Use of goods and services	6	6,589,191	8,125,374
Transfers to other government units	7	17,955,893	90,130,560
Other grants and transfers	8	37,936,240	78,603,776
Acquisition of assets	9	9,935,521	-
Oversight committee members	10	-	-
Other payments	11	1,198,976	2,486,454
Total Payments		84,900,343	184,675,211
Surplus/(Deficit)		6,984,405	(2,397,453)

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

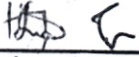
The Constituency financial statements were approved by the NGCDFC on 15th Sept 2023 and signed by:


Fund Account Manager


Name: Alex Muinde

Sign:.....

P.O. Box 1- 90137, KIBWEZI


National Sub-County Accountant

Name: Amos Kasyoka
ICPAK M/No:19606


Chairman NG-CDF Committee

Name: Esther Munyao

Kibwezi East Constituency

National Government Constituencies Development Fund (NGCDF)


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


X. Statement Of Assets and Liabilities as at 30th June, 2023

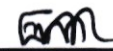
	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances (As Per the Cash Book)	12A	58,692,832	51,708,428
Cash Balances (Cash at Hand)	12B	-	-
Total Cash and Cash Equivalents		58,692,832	51,708,428
Accounts Receivable			
Outstanding Imprests	13	-	-
Total Financial Assets		58,692,832	51,708,428
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	14A	-	866,521
Gratuity	14B	-	-
Total Financial Liabilities			
Net Financial Assets		58,692,832	51,708,428
Represented By			
Fund Balance B/fwd	15	51,708,428	54,105,882
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		6,984,405	(2,397,453)
Net Financial Position		58,692,833	51,708,429

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 Sept 15th 2023 and signed by:


Fund Account Manager
Name: Alex Munde
P.O. Box 1-90137, KIBWEZI


National Sub-County Accountant
Name: Amos Kasyoka
ICPAK M/No:19606


Chairman NG-CDF Committee
Name: Esther Munyao

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

XI. Statement of cash flows for The Year Ended 30th June 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts from Operating Activities			
Transfers from NGCDF Board	1	91,000,000	182,277,758
Other Receipts	3	884,748	-
Total Receipts		91,884,748	182,277,758
Payments			
Compensation of Employees	4	1,728,372	3,214,547
Committee Expenses	5	9,556,150	2,114,500
Use of goods and services	6	6,589,191	8,125,374
Transfers to other government units	7	17,955,893	90,130,560
Other grants and transfers	8	37,932,240	78,603,776
Oversight committee members	10	-	-
Other payments	11	1,198,976	2,486,454
Total Payments		74,964,822	184,675,211
Total Receipts Less Total Payments		-	-
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		16,919,926	(2,397,453)
		-	-
Cashflow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of assets	9	(9,935,521)	-
Net Cash Flows from Investing Activities		(9,935,521)	-
Net Increase in Cash and Cash Equivalent		6,984,405	(2,397,453)
Cash & Cash Equivalent at Start of The Year	12	51,708,429	54,105,882
Cash & Cash Equivalent at End of The Year	12	58,692,834	51,708,429

Kibwezi East Constituency

National Government Constituencies Development Fund (NGCDF)


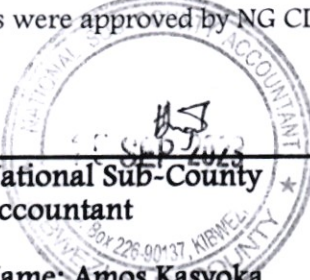
Annual Report and Financial Statements for The Year Ended June 30, 2023


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

The Constituency financial statements were approved by NG CDFC on Sept 15th 2023 and signed by:



Account Manager
Name: Alex Muinde



National Sub-County Accountant
Name: Amos Kasyoka
ICPAK M/No:19606


Chairman NG-CDF Committee
Name: Esther Munyao

Kibwezi East Constituency
National Government Constituencies Development Fund (NGCDF)
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XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	138,215,033	51,708,429	0	189,923,462	143,593,177	46,330,285	
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts	0.00	884,748		884,748	-	884,748	0.0%
TOTAL RECEIPTS	138,215,033	52,593,177	0	190,808,210	143,593,177	47,215,033	75%
PAYMENTS							
Compensation of Employees	3,267,840	2,242,909	0	5,510,749.00	1,728,372	3,782,377	31%
Committee expenses	3,528,000	6,962,881	0	10,490,881.00	9,556,150	934,731	
Use of goods and services	5,643,512	3,686,549	0	9,330,061.25	6,589,191	2,740,870	71%
Transfers to Other Government Units	57,358,400	3,455,893	0	60,814,293.00	17,955,893	42,858,400	30%
Other grants and transfers	55,441,530	24,064,676	0	79,506,205.75	37,936,240	41,569,966	48%
Acquisition of Assets	614,001	10,095,521	0	10,709,522.00	9,935,521	774,001	93%
Oversight Committee Members	1,382,150	0	0	1,382,150.00	-	1,382,150	0.0%
Other Payments	4300000	1,200,000	0	5,500,000.00	1,198,976	4,301,024	23%
Funds pending approval	6,679,600	884,748	0	7,564,348.00	-	7,564,348	0.0%
TOTAL	138,215,033	52,593,177	0	190,808,210	84,900,343	105,907,867	45%


Compensation of employees had a budget utilization difference of 31% as indicated in the above table. This was attributable to recruitment of staff exercise which was done following the lapse of contracts of the former employees. Due to the process which was involved in recruitment and also the time gap between gazette of NG CDF committee this led to under absorption which led to the utilisation difference of 31%

Transfer to other government entities had a utilisation difference of 29.5% in addition to utilisation difference of 47.7%. This was attributable to late disbursements from NG CDF board. Same case led to under absorption in other payments with a utilisation difference of 21.8% as well as utilisation difference of 70.6 % for use of goods and services

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	105,907,867
Less undisbursed funds receivable from the Board as at 30th June 2023	47,215,033
	58,692,834
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2022/2023	58,692,834

The Constituency financial statements were approved by NG CDFC on Sept 15th 2023 and signed by:


Fund Account Manager
 Sign:.....
 P.O. Box 1-90137, KIBWEZI


National Sub-County Accountant
 NATIONAL ACCOUNTANT
 P.O. Box 226, 90137, KIBWEZI


Chairman NG-CDF Committee

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

Name: Alex Muinde

**Name: Amos Kasyoka
ICPAK M/No:19606**

Name: Esther Munyao

XIII. Budget Execution by Sectors and Projects for The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,267,840	2,242,909	-	5,510,749	1,728,372	3,782,377
1.2 Committee allowances	1,868,000	4,173,798	-	6,041,798	5,175,277	866,521
1.3 Use of goods and services	3,157,061	849,663	-	4,006,724	2,863,291	1,143,433
Total	8,292,901	7,266,370	-	15,559,271	9,766,940	5,792,331
2.0 Monitoring and evaluation						
2.1 Capacity building	1,090,000	1,100,000	-	2,190,000	1,725,900	464,100
2.2 Committee allowances	1,660,000	2,789,083	-	4,449,083	4,380,873	68,210
2.3 Use of goods and services	1,396,451	1,736,886	-	3,133,337	2,000,000	1,133,337
Total	4,146,451	5,625,969	-	9,772,420	8,106,773	1,665,647
3.0 Emergency						
3.1 Primary Schools	7,636,190	5,814,727	-	13,450,917	4,855,000	8,595,917
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-

Kibwezi East Constituency
National Government Constituencies Development Fund (NGCDF)
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3.5 Unutilised	-	-	-	-	-	-
Total	7,636,190	5,814,727	-	13,450,917	4,855,000	8,595,917
4.0 Bursary and Social Security						
4.1 Secondary Schools	18,728,740	1,487,230	-	20,215,970	20,197,000	18,970
4.2 Tertiary Institutions	14,800,000	9,462,719	-	24,262,719	9,586,000	14,676,719
4.3 Social Security	648,000	-	-	648,000	-	648,000
4.4 Special Needs	-	-	-	-	-	-
Total	34,176,740	10,949,949	-	45,126,689	29,783,000	15,343,689
5.0 Sports						
5.1	1,764,300	4,000,000	-	5,764,300	-	5,764,300
Total	1,764,300	4,000,000	-	5,764,300		5,764,300
6.0 Environment						
Maikuu misuuni access road	-	500,000	-	500,000	500,000	-
NG CDF OFFICE	-	200,000	-	200,000	198,240	1,760
Ithaayoni Primary school	-	200,000	-	200,000	200,000	-
Kalulu Primary School	-	200,000	-	200,000	200,000	-
Komboyoo Primary School	-	200,000	-	200,000	200,000	-
Yimbuvu primary	-	200,000	-	200,000	200,000	-
Mbukoni Primary School	-	200,000	-	200,000	200,000	-
Yikivuthi primary school	250,000	-	-	250,000	-	250,000
Wandei primary school	250,000	-	-	250,000	-	250,000
Mitaboni primary school	250,000	-	-	250,000	-	250,000
Makokani primary school	250,000	-	-	250,000	-	250,000
Mbukoni primary school	250,000	-	-	250,000	-	250,000
Mutomo primary school	200,000	-	-	200,000	-	200,000
Metava primary school	250,000	-	-	250,000	-	250,000
Maikuu chief's office	250,000	-	-	250,000	-	250,000

Utithi secondary school	250,000	-	-	250,000	-	250,000
Kasasule primary school	264,300	-	-	264,300	-	264,300
Total	2,464,300	1,700,000	-	4,164,300	1,698,240	2,466,060
7.0 Primary Schools Projects						
Muthungue primary school	2,000,000	-	-	2,000,000	2,000,000	-
Ndauni primary school	1,300,000	-	-	1,300,000	-	1,300,000
Kithyululu primary school	1,300,000	-	-	1,300,000	-	1,300,000
Nzwii primary school	2,500,000	-	-	2,500,000	-	2,500,000
Athi Salama primary school	1,300,000	-	-	1,300,000	1,300,000	-
Nguuni primary school	3,500,000	-	-	3,500,000	-	3,500,000
Ngilani primary school	2,500,000	-	-	2,500,000	-	2,500,000
Ivoleni primary school	4,000,000	-	-	4,000,000	-	4,000,000
Ituumo primary school	900,000	-	-	900,000	900,000	-
Total	19,300,000	-	-	19,300,000	4,200,000	15,100,000
8.0 Secondary Schools Projects						
8.1 St. Lucy Kalimani Secondary School	0	2455893	0	2,455,893	2455893	-
8.2 Iiani Secondary School	1300000	1000000	0	2,300,000	1000000	1,300,000
Kitengei secondary school	3120400	0	0	3,120,400	3000000	120,400
Masaku ndogo secondary school	2000000	0	0	2,000,000	2000000	-
Makutano secondary school	2500000	0	0	2,500,000	0	2,500,000
Komboyoo mixed sec school	2000000	0	0	2,000,000	0	2,000,000
Kalulu secondary school	1300000	0	0	1,300,000	1300000	-
Kyaani Secondary school	1300000	0	0	1,300,000	0	1,300,000
Ulilinzi secondary school	1300000	0	0	1,300,000	0	1,300,000
Muthingiini girls' sec school	2000000	0	0	2,000,000	0	2,000,000

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Canaan secondary school	2000000	0	0	2,000,000	0	2,000,000
Kyumani secondary school	1000000	0	0	1,000,000	0	1,000,000
Muthungue secondary school	4000000	0	0	4,000,000	4000000	-
Misuumi secondary school	8738000	0	0	8,738,000	0	8,738,000
Muthingini boys' secondary school	3500000	0	0	3,500,000	0	3,500,000
Kombooyo Girls secondary school	2000000	0	0	2,000,000	0	2,000,000
Total	38,058,400	3,455,893	-	41,514,293	13,755,893	27,758,400
9.0 Tertiary institutions Projects						
Total	-	-	-	-	-	-
10.0 Security Projects						
kinyambu police post	0	600000	0	600,000	600000	-
10.1 Kyumani Chief's Office	0	1000000	0	1,000,000	1000000	-
Ulinzi asstiant chiefs' office	1500000	0	0	1,500,000	0	1,500,000
Ulinzi chiefs' office	1500000	0	0	1,500,000	0	1,500,000
Nhunguni chiefs' office	1500000	0	0	1,500,000	0	1,500,000
Maikuu chiefs' office	1500000	0	0	1,500,000	0	1,500,000
Ulinzi police post	600000	0	0	600,000	0	600,000
Kambu Ass Chief office	600000	0	0	600,000	0	600,000
Kambu Assistant County Commissioner Office	200000	0	0	200,000	0	200,000
Ulinzi police post	2000000	0	0	2,000,000	0	2,000,000
Total	9,400,000	1,600,000	-	11,000,000	1,600,000	9,400,000
11.0 Acquisition of assets						
11.1 ING-CDF Office Fencing	0	1500000	0	1,500,000	1500000	-

11.2 Purchase of NG-CDF Vehicle	0	7000000	0	7,000,000	6840000	160,000
11.1 Motor Vehicles (including motorbikes)	0	0	0	-	0	-
Ng-cdf Motorbike	614001	0	0	614,001	0	614,001
0	0	0	0	-	0	-
11.3 Construction of CDF office	0	866521	0	866,521	866521	-
11.4 Purchase of furniture and equipment	0	729000	0	729,000	729000	-
11.5 Purchase of computers	0	0	0	-	0	-
11.6 Purchase of land	0	0	0	-	0	-
Total	614,001	10,095,521	-	10,709,522	9,935,521	774,001
12.0 Oversight Committee Expenses (itemize)				-		-
Training	280000	0	0	280,000	0	280,000
cc allowances	30000	0	0	30,000	0	30,000
Other committee allowances	528000	0	0	528,000	0	528,000
production and printing	434150	0	0	434,150	0	434,150
Catering	30000	0	0	30,000	0	30,000
Renumeration	80000	0	0	80,000	0	80,000
Total	1,382,150	-	-	1,382,150	-	1,382,150
13.0 Other payments				-		-
12.1 Strategic Plan	3200000	0	0	3,200,000.00	0	3,200,000.00
12.2 Innovation Hub	0	1200000	0	1,200,000.00	1198976	1,024.00
12.2.1 Mtito Andei ICT Hub	300000	0	0	300,000.00	0	300,000.00
12.2.2 Kambu ICT Hub	300000	0	0	300,000.00	0	300,000.00
12.2.3 Machinery Assistant County Commissioners Office ICT Hub	300000	0	0	300,000.00	0	300,000.00
12.2.4 Kithasyu secondary ICT Hub	200000	0	0	200,000.00	0	200,000.00
				-	0	

Kibwezi East Constituency
National Government Constituencies Development Fund (NGCDF)
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Total	4,300,000	1,200,000	-	5,500,000	1,198,976	4,301,024
14.0 unallocated fund						
Unapproved projects	6679600	0	0	6,679,600.00		6,679,600
AIA	0	0	0	-		-
PMC savings	0	884748	0	884,748.00		884,748
Total	6,679,600	884,748	-	7,564,348	-	7,564,348

V. Significant Accounting Policies

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

1. Statement of Compliance and basis of preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 31st June 2023 for the period 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

IV. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO: B185101	7,000,000	-
B206229	21,000,000	-
B206258	5,000,000	-
B206389	12,000,000	-
B205773	12,000,000	-
B206895	16,000,000	-
B207534	18,000,000	-
B140933	-	37,188,879
B105461	-	44,000,000
B105804	-	24,000,000
B128544	-	6,000,000
B128856	-	14,000,000
B154052	-	15,000,000
B164494	-	34,088,879
B155965	-	7,000,000
A888959	-	1,000,000
TOTAL	91,000,000	182,277,758

2. Proceeds from Sale of Assets

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

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Notes to the Financial Statements (Continued)

3. Other Receipts

Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere(pmc)	884,748	-
Total	884,748	-

4. Compensation of employees

NG-CDFC Basic staff salaries	1,143,110	2,079,910
Personal allowances paid as part of salary		
House Allowance	169,600	-
Transport Allowance	168,000	-
Leave allowance	-	-
Gratuity to contractual employees	208,542	1,134,637
National social security schemes	39,120	
Total	1,728,372	3,214,542

5. Committee Expenses

Sitting allowance	4,380,873	-
Other committee expenses	5,175,277	-
Total	9,556,150	-

Notes to the Financial Statements (Continued)

6. Use of goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services		0
Communication, supplies and services	59,450	482,374
Domestic travel and subsistence		-
Printing, advertising and information supplies & services	830,500	700,000
Rentals of produced assets		-
Training expenses	1,725,900	1,980,000
Hospitality supplies and services	1,598,500	670,000
Insurance costs	223,341	-
Specialised materials and services		-
Office and general supplies and services	410,090	670,000
Fuel , oil & lubricants	1,451,085	2,500,000
Other operating expenses	104,200	-
Bank Charges		23,000
Security operations		-
Routine maintenance - vehicles and other transport equipment	53,425	600,000
Routine maintenance- other assets	132,700	500,000
Other committee expenses		2,114,500
TOTAL	6,589,191	10,239,874

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Notes To the Financial Statements (Continued)

7. Transfer to other government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to primary schools (See attached List)	4,200,000	54,630,560
Transfers to secondary schools (See Attached List)	13,755,893	35,500,000
Transfers to tertiary institutions (See Attached List)	-	
Total	17,955,893	90,130,560

8. Other grants and other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,197,000	43,453,776
Bursary – tertiary institutions (see attached list)	9,586,000	22,750,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,600,000	1,500,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	1,698,240	2,300,000
Emergency projects (see attached list)	4,855,000	8,600,000
Roads projects (see attached list)	-	-
Total	37,936,240	78,603,776

Notes to the Financial Statements (Continued)

9. Acquisition of assets

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of buildings	-	-
Construction of buildings	2,366,518	-
Refurbishment of buildings	-	-
Purchase of vehicles and other transport equipment	6,840,000.00	-
Purchase of household furniture and institutional equipment	-	-
Purchase of office furniture and general equipment	729,000.00	-
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	9,935,521	-

10. Oversight Committee Members

	2022-2023	2021-2022
	Kshs	Kshs
	-	-
	-	-
TOTALS	-	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	1,198,976	2,486,454
TOTALS	1,198,976	2,486,454

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12. Cash Book Bank Balance

Name of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
Kenya Commercial Bank, Account No. (Main account)	58,692,832	51,708,428
Kenya Commercial Bank, account No. (Deposits account)	-	-
Total	58,692,832	51,708,428
	-	-
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (Specify)	-	-
Total	-	-

13. Outstanding Imprests

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

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

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Notes to the Financial Statement Continued

14A Retention

	2022-2023	2021-2022
	KShs	KShs
Retention as at 1 st July (A)	866,521	866,521
Retention held during the year (B)	-	-
Retention paid during the Year (C)	866,521	-
Closing Retention as at 30 th June D= (A+B-C)	0	866,521

14B Gratuity

	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	208,542	1,134,637
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	208,542	1,134,637
Closing Gratuity as at 30 th June D=(A+B-C)	-	-

15 Fund Balance B/F

	(1 st July 2022)	(1 st July 2021)
	Kshs	Kshs
Bank accounts	51,708,428	54,105,882
Cash in hand	-	-
Imprest	-	-
Total	51,708,428	54,105,882
Less	-	-
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	51,708,428	-

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16 Prior Year Adjustments

Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
Total	-	-	-

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

17. Changes in accounts receivable – outstanding Imprests

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	-	-

18. Changes In accounts payable – Deposits and retentions

Deposit and Retentions as at 1 st July (A)	866,521	866,521
Deposit and Retentions held during the year (B)	208,542	-
Deposit and Retentions paid during the Year (C)	1,075,063	-
closing account payables D= A+B-C	-	866,521
Net changes in accounts payables D-A	866,521	-

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19 Other Important Disclosures
19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff		
Others (specify)		
Total		

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	3,782,377	3,591,795
Committee expense	934,731	
Use of goods and services	2,740,870	9,563,615
Amounts due to other Government entities (see attached list)	42,858,400	3,455,893
Amounts due to other grants and other transfers (see attached list)	41,569,966	23,320,446
Acquisition of assets	774,001	9,700,000
Constituency oversight committee	1,382,150	
Other Payments (specify)	4,301,024	1,210,159
Funds pending approval	7,564,348	-
Total	105,907,867	50,841,908

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18.4: PMC account balances (See Annex 5)

PMC account balances (see attached list)	6,971,165	48,791,310
Total	6,971,165	48,791,310

XVI. 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.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

Annex 2 - Analysis of Pending Staff Payables

NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
1.0 Compensation of employees				
1.1 Compensation of employees	Payment of staff salaries	3,782,377	2,242,909	This was occasioned by late disbursement from NG CDF Board
1.2 Committee allowances	payment of committee allowances	866,521	3,307,277	This was occasioned by late disbursement from NG CDF Board
1.3 Use of goods and services	payment of goods and services	1,143,433	849,663	This was occasioned by late disbursement from NG CDF Board
2.0 Monitoring and evaluation				
2.1 Capacity building	payment of training expenses	464,100	1,100,000	This was occasioned by late disbursement from NG CDF Board
2.2 Committee allowances	payment of committee allowances	68,210	2,789,083	This was occasioned by late disbursement from NG CDF Board
2.3 Use of goods and services	payment of goods and services	1,133,337	1,736,886	This was occasioned by late disbursement from NG CDF Board
3.0 Emergency		-	-	
Emergency		8,595,917	5,814,727	This was occasioned by late disbursement from NG CDF Board
4.0 Bursary and Social Security				
4.2 Secondary Schools	Bursary award to needy students	18,970	1,487,230	This was occasioned by late disbursement from NG CDF Board

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
4.3 Tertiary Institutions	Bursary award to needy students	14,676,719	9,462,719	This was occasioned by late disbursement from NG CDF Board
4.special schools	Bursary award to needy students	648,000		
4.5 Social Security		-	-	
5.0 Sports		-	-	
Sports Activities-	Facilitation of sports tournament	5,764,300	4,000,000	This was occasioned by late disbursement from NG CDF Board
6.0 Environment		-	-	
Maikuu misuuni access road	Construction of a drift	0	500,000	This was occasioned by late disbursement from NG CDF Board
NG CDF OFFICE	Tree planting at NG CDF office	1,760	200,000	This was occasioned by late disbursement from NG CDF Board
Ithaayoni Primary school	Purchase of water tank and guttering	-	200,000	This was occasioned by late disbursement from NG CDF Board
Kalulu Primary School	Purchase of water tank and guttering	-	200,000	This was occasioned by late disbursement from NG CDF Board
Komboyoo Primary School	Purchase of water tank and guttering	-	200,000	This was occasioned by late disbursement from NG CDF Board
Yimbuvu primary	Purchase of water tank and guttering		200,000	This was occasioned by late disbursement from NG CDF Board
Mbukoni Primary School	Purchase of water tank and guttering	-	200,000	This was occasioned by late disbursement from NG CDF Board
Yikivuthi primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Wandei primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Mitaboni primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Makokani primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Mbukoni primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Mutomo primary school	Purchase of water tank and guttering	200,000	-	This was occasioned by late disbursement from NG CDF Board
Metava primary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Maikuu chief's office	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Utithi secondary school	Purchase of water tank and guttering	250,000	-	This was occasioned by late disbursement from NG CDF Board
Kasasule primary school	Purchase of water tank and guttering	264,300	-	This was occasioned by late disbursement from NG CDF Board
7.0 Primary Schools Projects		-	-	

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Ndauni primary school	Renovation of two classrooms	1,300,000.00	-	This was occasioned by late disbursement from NG CDF Board
Kithyululu primary school	Renovation of two classrooms	1,300,000.00	-	This was occasioned by late disbursement from NG CDF Board
Nzwii primary school	construction of administration block	2,500,000.00	-	This was occasioned by late disbursement from NG CDF Board
Nguuni primary school	Levelling of school playing field	3,500,000.00	-	This was occasioned by late disbursement from NG CDF Board
Ngilani primary school	construction of administration block	2,500,000.00	-	This was occasioned by late disbursement from NG CDF Board
Ivoleni primary school	Leveling of school playing field	4,000,000.00	-	This was occasioned by late disbursement from NG CDF Board
8.0 Secondary Schools Projects		-	-	
8.2liani Secondary School	Construction of a classroom to completion	1,300,000	1,000,000	This was occasioned by late disbursement from NG CDF Board
Kitengei secondary school	Completion of dining hall	120,400	-	This was occasioned by late disbursement from NG CDF Board
Makutano secondary school	Completion of dining hall	2,500,000	-	This was occasioned by late disbursement from NG CDF Board
Komboyoo mixed sec school	Completion of dormitory	2,000,000	-	This was occasioned by late disbursement from NG CDF Board

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Kyaani Secondary school	Completion of administration block	1,300,000	-	This was occasioned by late disbursement from NG CDF Board
Ulilinzi secondary school	completion of administration block	1,300,000	-	This was occasioned by late disbursement from NG CDF Board
Canaan secondary school	Completion of laboratory	2,000,000	-	This was occasioned by late disbursement from NG CDF Board
Muthingiini Girls	Completion of laboratory	2,000,000	-	This was occasioned by late disbursement from NG CDF Board
Kyumani secondary school	Completion of laboratory	1,000,000	-	This was occasioned by late disbursement from NG CDF Board
Misuuni secondary school	Purchase of a 46 seater school bus	8,738,000	-	This was occasioned by late disbursement from NG CDF Board
Muthingiini boys' secondary school	Construction of a dormitory	3,500,000	-	This was occasioned by late disbursement from NG CDF Board
Komboyoo Girls secondary school	Construction of a dining hall upto roofing stage	2,000,000	-	This was occasioned by late disbursement from NG CDF Board
9.0 Tertiary institutions Projects				
10.0 Security Projects				
Utini assistant chiefs' office	Construction of an office	1,500,000	-	This was occasioned by late disbursement from NG CDF Board

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Ulilinzi chiefs' office	Construction of an office	1,500,000	-	This was occasioned by late disbursement from NG CDF Board
Nthunguni chiefs' office	Construction of an office	1,500,000	-	This was occasioned by late disbursement from NG CDF Board
Maikuu chiefs' office	Construction of an office	1,500,000	-	This was occasioned by late disbursement from NG CDF Board
Ulilinzi police post	Construction of a pit latrine	600,000	-	This was occasioned by late disbursement from NG CDF Board
Kambu Ass Chief office	Construction of a pit latrine	600,000	0	This was occasioned by late disbursement from NG CDF Board
Kambu Assistant County Commissioner Office	Purchase of furniture	200,000	-	This was occasioned by late disbursement from NG CDF Board
Ulilinzi police post	construction of administration block	2,000,000	-	This was occasioned by late disbursement from NG CDF Board
11.0 Acquisition of assets		-	-	
11.2 Purchase of NG-CDF Vehicle	Purchase of vehicle	160,000	7,000,000	This was occasioned by late disbursement from NG CDF Board
11.1 Motor Vehicles (including motorbikes)		-		This was occasioned by late disbursement from NG CDF Board
Ng-cdf Motorbike		614,001		This was occasioned by late disbursement from NG CDF Board
12.0 Others				

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
12.1 Strategic Plan		3,200,000		This was occasioned by late disbursement from NG CDF Board
12.2 Innovation Hub		1024	1,200,000	This was occasioned by late disbursement from NG CDF Board
12.2.1 Mtito Andei ICT Hub	Purchase of furniture and electrification	300,000		This was occasioned by late disbursement from NG CDF Board
12.2.2 Kambu ICT Hub	Purchase of furniture and electrification	300,000		This was occasioned by late disbursement from NG CDF Board
12.2.3 Machinery Assistant County Commissioners Office ICT Hub	Purchase of furniture and electrification	300,000		This was occasioned by late disbursement from NG CDF Board
12.2.4 Kithasyu secondary ICT Hub	Purchase of furniture	200,000		This was occasioned by late disbursement from NG CDF Board
13.0 Constituency oversight committee	Facilitation of constituency oversight committee	1,382,150		This was occasioned by late disbursement from NG CDF Board
Funds pending approval**	Pojects awaiting approval from NG CDF board	6,679,600		This was occasioned by late disbursement from NG CDF Board
Total		105,023,119	50,841,908	This was occasioned by late disbursement from NG CDF Board

Annex 4 – Summary of Fixed Asset Register

Land Buildings and structures	16,391,743	2,366,518	0	18,758,261
Transport equipment	23,554,520	6,840,000	0	30,394,520
Office equipment, furniture and fittings	382,000	729,000	0	1,111,000
Intangible assets, ICT Equipment, Software and Other ICT Assets	1,169,920	0	0	1,169,920
Total	41,498,183	9,935,518	0	51,433,701

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Annex 5 – PMC Bank Balances as at 30th June 2023

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Ulilinsi Primary School	KCB- KIBWEZI	1135 4090 99	0	9,270
IIA Itune Primary Sch.	KCB- KIBWEZI	1130 8208 31	0	83,872
Usalama Sec School	KCB- KIBWEZI	1132 5896 30	0	52,283
Kasue Secondary school	KCB- KIBWEZI	1158 0092 83	0	51,269
Ngokolani Primary School	KCB- KIBWEZI	1288 0647 05	0	81,174
Nzavoni Primary School	KCB- KIBWEZI	1290 2079 09	0	1,237,154
Ndauni Primary School	KCB- KIBWEZI	1129 3456 29	0	1,443,688
Yumbuni Primary School- PMC	KCB- KIBWEZI	1132 5349 92	0	1,227,228
Ituumo Primary School-PMC	KCB- KIBWEZI	1157 3835 05	0	1,628,578
Ngomano Primary School	KCB- KIBWEZI	1179 4610 96	0	1,201,337
Kathiani Primary School	KCB- KIBWEZI	1288 6940 67	0	773,474
Kyaani Sec Sch- PMC	KCB- KIBWEZI	1293 3160 24	0	19,760
Kamunyuni Pri. Sch- PMC	KCB- KIBWEZI	1136 7934 88	0	56,601
Ivoleni Pri. Sch- PMC	KCB- KIBWEZI	1137 0109 24	0	55,002
Ivingoni Pri. Sch- PMC	KCB- KIBWEZI	1292 8954 54	0	54,968

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Kalulu Sec Sch- PMC	KCB- KIBWEZI	1292 2511 07	0	19,280
Kasasule Pri. Sch- PMC	KCB- KIBWEZI	1293 2504 81	0	53,831
Ngokolani Sec Sch- PMC	KCB- KIBWEZI	1164 5672 76	0	50,303
Miangeni Pri. Sch- PMC	KCB- KIBWEZI	1293 6321 47	0	54,110
Nzambani Pri. Sch- PMC	KCB- KIBWEZI	1122 5319 15	0	57,439
Kikunduku Pri Sch- PMC	KCB- KIBWEZI	1136 8476 93	0	83,258
Muthinguni Pri. Sch- PMC	KCB- KIBWEZI	1257 8667 88	0	110,185
Mukanda Pri Sch- PMC	KCB- KIBWEZI	1135 4958 23	0	54,601
Kilumilo Pri. Sch- PMC	KCB- KIBWEZI	1234 5888 03	0	87,571
Kinyambu Special SCH Pmc	KCB- KIBWEZI	1292 8228 99	0	54,711
Kitheini Pri. Sch- PMC	KCB- KIBWEZI	1179 2798 32	0	57,970
Iviani Pri. Sch- PMC	KCB- KIBWEZI	1203 9634 32	0	55,002
Kiange Pri Sch- PMC	KCB- KIBWEZI	1130 9053 06	0	53,878
Mbeetwani Pri. Sch- PMC	KCB- KIBWEZI	1293 4723 28	0	55,380
Kathekani Pri Sch- PMC	KCB- KIBWEZI	1135 4301 28	0	53,010

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Kambu pri. Sch- PMC	KCB- KIBWEZI	1258 1368 99	0	53,268
Ndauni Secondary School - PMC	KCB- KIBWEZI	1134 8583 88	0	1,004,058
Molemuni Girls Sec. School - PMC	KCB- KIBWEZI	1286 7476 94	0	134,865
Yumbuni Secondary School - PMC	KCB- KIBWEZI	1130 2506 79	0	49,609
Canaan econdary School - PMC	KCB- KIBWEZI	1171 4535 07	0	31,934
Silanga Secondary School - PMC	KCB- KIBWEZI	1125 1686 68	0	141,327
Darajani Secondary school - PMC	KCB- KIBWEZI	1174 1443 86	0	941,255
Kikwasuni Primary School - PMC	KCB- KIBWEZI	1203 9619 52	0	38,442
Nzouni Primary SCHOOL - PMC	KCB- KIBWEZI	1164 6633 56	0	167,354
Kiambani Primary School - PMC	KCB- KIBWEZI	1239 0455 49	0	57,130
Maia Atatu Primary School- PMC	KCB- KIBWEZI	1290 3955 19	0	1,089

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Wandei Primary School- PMC	KCB- KIBWEZI	1293 8149 62	0	53,721
Muliluni Primary School - PMC	KCB- KIBWEZI	1211 5681 05	0	50,688
Ngwata Sec. School - PMC	KCB- KIBWEZI	1131 2587 97	0	163,620
Ngwata Primary School - PMC	KCB- KIBWEZI	1205 5769 83	0	114,931
Machinery D.Os Office ICT- PMC	KCB- KIBWEZI	1296 2000 86	0	209,129
Mtito Andei Chief's Offi. ICT-PMC	KCB- KIBWEZI	1294 3384 63	0	55,274
Ututhi Primary School - PMC	KCB- KIBWEZI	1278 0692 24	0	1,201,006
Metava Primary School- PMC	KCB- KIBWEZI	1136 7982 42	0	1,509,164
Kithasyu Primary School- PMC	KCB- KIBWEZI	1207 8741 32	0	304,576
Metava Primary School- PMC	KCB- KIBWEZI	1136 7982 42	0	1,509,164
Ituumo Primary School - PMC	KCB- KIBWEZI	1157 3835 05	0	1,628,578
Kyaani Primary School- PMC	KCB- KIBWEZI	1288 2749 12	0	145,618
Darajani Secondary Sch- PMC	KCB- KIBWEZI	1174 1443 86	0	941,255

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PMC	Bank	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Misuuni Primary School	KCB- KIBWEZI	1209 0682 73	0	204,782
Kyusyani Secondary Sch- PMC	KCB- KIBWEZI	1293 6632 47	0	1,100,500
Yikitaa Sec Sch- PMC	KCB- KIBWEZI	1276 4237 48	0	209,425
Kivuthini Pri. School - PMC	KCB- KIBWEZI	1176 6818 34	0	201,578
Ivingoni Pri. School- PMC	KCB- KIBWEZI	1292 8954 54	0	54,968
Athi Salama Pri Sch- PMC	KCB- KIBWEZI	1175 2257 70	0	3,179
Kathiiiani Pri Sch- PMC	KCB- KIBWEZI	1288 6940 67	0	773,474
Tisya Pri Sch- PMC	KCB- KIBWEZI	1210 4491 53	0	30,956
Ngokolani Pri Sch- PMC	KCB- KIBWEZI	1288 0647 05	0	81,174
Ituumo pri Sch- PMC	KCB- KIBWEZI	1157 3835 05	0	1,628,578
Thange pri school- PMC	KCB- KIBWEZI	1163 4258 93	0	56,355
Kivuthin Sec Sch- PMC	KCB- KIBWEZI	1172 4108 28	0	1,214,099
Ititi Primary School	KCB- KIBWEZI	1286 8734 44	0	151,420
Ulilinzi Sec Sch- PMC	KCB- KIBWEZI	1179 7519 22	0	2,000,772
Kyumani Pri. Sch- PMC	KCB- KIBWEZI	1166 8803 11	0	112,749

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Nzavoni Primary School- PMC	KCB- KIBWEZI	1290 2079 09	0	1,237,154
Masongaleni Sec School- PMC	KCB- KIBWEZI	1132 5083 04	0	1,515,814
St. Josephs Girls Sec- PMC	KCB- KIBWEZI	1297 0746 61	0	55,319
Usalama Primary Sch- PMC	KCB- KIBWEZI	1136 7880 18	0	2,004,537
Kavungwa Pri Sch- PMC	KCB- KIBWEZI	1210 4646 24	0	1,102,244
Maikuu Primary Sch- PMC	KCB- KIBWEZI	1147 9192 91	0	82,991
Kithasyu Sec Sch- PMC	KCB- KIBWEZI	1153 0128 20	0	1,177,753
Komboyoo Mixed Sec Sch- PMC	KCB- KIBWEZI	1283 5030 18	0	1,503,028
Kaliani Pri. Sch- PMC	KCB- KIBWEZI	1206 7632 48	0	1,258,913
Kalima Koi Pri- PMC	KCB- KIBWEZI	1151 5286 09	0	76,896
Kiundwani Sec School- PMC	KCB- KIBWEZI	1137 1220 64	0	1,052,245
Yumbuni Primary School- PMC	KCB- KIBWEZI	1132 5349 92	0	1,227,228
Ngomano Primary sch- PMC	KCB- KIBWEZI	1179 4610 96	0	1,201,337

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Makutano Sec School- PMC	KCB- KIBWEZI	1197 5680 93	0	240
Kiteng'ei Sec. School	KCB- KIBWEZI	1118 5738 70	0	1,509,151
Masaku Ndogo Sec Sch- PMC	KCB- KIBWEZI	1183 5545 91	0	1,535,591
Kiuani Sec School	KCB- KIBWEZI	1132 4401 06	0	1,002,061
Utini Secondary School	KCB- KIBWEZI	1130 9637 64	0	1,568
Kyusyani Primary School	KCB- KIBWEZI	1207 1655 30	0	603,454
Nthunguni Primary School	KCB- KIBWEZI	1136 8947 05	0	588,381
Ngwata Chief's Office	KCB- KIBWEZI	1297 7855 92	0	-
Yikivumbu Primary School - PMC	SIDIAN - KIBWEZI	010270 30000 347	0	58,526
Kithyululu Pri. Sch- PMC	SIDIAN - KIBWEZI	010270 50022 717	0	1,210,515
Muthingiini Girls Sec Sch- PMC	SIDIAN - KIBWEZI	010270 30000 237	0	90,873
Kambu Police Post	SIDIAN - KIBWEZI	010270 30000 307	0	920,443
Kithasyu Police Post - PMC	SIDIAN - KIBWEZI	010270 300000 327	0	567,250
Mutanu Secondary sch- PMC	EQUITY - Kibwezi	1730 2811 25874	0	550
Muthungue primary	Kenya Commercial Bank	1310516618	2,074,612	-

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022/2023	2021/2022
Kamunyuni primary school	Kenya Commercial Bank	1136793488	3,844	-
Metava pri. School	Kenya Commercial Bank	1136798242	73,803	-
Kithasyu primary school	Kenya Commercial Bank	1207874132	1,832	-
Utithi primary school	Kenya Commercial Bank	1278069224	46,217	-
Masaku ndogo sec school	Kenya Commercial Bank	1183554591	2,056,656	-
Kivuthini primary school	Kenya Commercial Bank	1176681834	10,197	-
Ithaayoni primary school	Kenya Commercial Bank	1133655548	99,093	-
Yimbuvu primary school	Kenya Commercial Bank	1208740725	25,398	-
Kalulu primary school	Kenya Commercial Bank	1210746808	9,255	-
Ngwata chiefs office	Kenya Commercial Bank	1297785592	17,000	-
Kyaani promary school	Kenya Commercial Bank	1288274912	44,781	-
St. lucy kalimani sec school	Kenya Commercial Bank	1168619467	114,332	-
Thange primary school	Kenya Commercial Bank	1163425893	8,508	-
Komboyoo primary school	Kenya Commercial Bank	1160141487	42,073	-
Athi salama primary	Kenya Commercial Bank	1175225770	1,303,053	-
Masongaleni primary school	Kenya Commercial Bank	1.02705E+12	6,324	-

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FMC	BANK	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Ituumo primary school	Kenya Commercial Bank	1157383505	1,017,036	-
Misuuni primary	Kenya Commercial Bank	1102872125		-
Maikuu drift	Kenya Commercial Bank	1305118030	17,150	-
TOTAL			6,971,165	48,791,310

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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.

1	The statement of assets and liabilities note 10 reflects Cash and equivalent of Kshs. 51,708,428. In the year under review June 2022 bank reconciliation includes unrepresented cheques of Kshs. 13,868,191. It was noted that majority of them were bursaries implying the needy students who were to benefit from the payment did not receive them. Further, stale cheques of Kshs. 1,764,437 were part of the unrepresented cheques as at June 2022. These should have been written back to the cash book. Consequently, this affects the cash book leading to inaccurate balances in the financial statements.	Cheques were reversed after the closure of financial year	Not yet resolved	March 2024
2	Receipts in bank statement not in cashbook The bank reconciliation statement also reflects receipts of Kshs.706,192.54 in the bank statement but not in the cashbook. Details of these receipts have not been provided and should be recorded in the cash book.	The receipts in bank statement were captured in cash book	Not yet resolved	March 2024
3	Compensation of employees in the statement of receipts and payments includes an	Kibwezi East engaged a clerk of works for the	Not yet resolved	March 2024

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
	amount of Kshs. 2,079,910 that relates to NG-CDF Basic staff salaries. Audit review revealed that Kibwezi East-NGCDF has not employed a clerk of works or a person with knowledge in construction field. Therefore, the Constituency Development Fund Committee (CDFC) has no adviser when evaluating projects implementation within the constituency.	period under review		
4	During the financial year under review, Kibwezi East NG-CDF incurred an expenditure of Kshs 8,001,500 in relation to committee allowances. A review of payment vouchers 38,39 &166 revealed that Kibwezi East hired taxi services from Shajan Enterprises during the financial year to undertake monitoring and evaluation activities. It was not clear how Shajan Enterprises was identified since the supplier was not in the provided supplier register. Hence, it was not possible to ascertain whether procurement was done competitively or whether Kibwezi East received services at competitive market prices.	The unutilized funds were fully absorbed in the subsequent fiscal year	Not yet resolved	March 2024
5	During the financial year under review, Kibwezi East NG-CDF had a budget of Kshs. 29,582,655 for Emergency, security,	(i)Ngokolani primary school toilets were repaired and they are in	Not yet resolved	March 2024

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<p>environment and sports activities. Out of this, Kibwezi East NG-CDF used Kshs. 8,600,000 for emergency projects, 1,500,000 for security and environment 2,300,000. A review of the project files and physical project verification revealed various issues;</p> <p>Emergency</p> <p>i. Ngokolani primary school received Kshs. 600,000 for the construction of a six door toilet block. The project was completed and handed over. The toilets are however not in use since all doors have broken off.</p> <p>ii. Ngwata Chief's Office received kshs. 600,000 for the construction of a two-door toilet block, urinal and fencing the compound. The money was disbursed but has since remained in the PMC account as the project has not started to date.</p> <p>Environment</p> <p>i. Thange primary school received kshs. 250,000 for the installation of a 10,000 litres water tank, tank base and related pipe works. The tank base and gutters have been done but the tank has yet to be delivered to date.</p> <p>ii. Ituumo primary school received kshs. 200,000 for the installation of a 10,000 litres water tank, tank base and related pipe works. Nothing has been done to date.</p> <p>iii. Kithasyu primary school received kshs. 250,000 for the installation of a 10,000</p>	<p>good condition</p> <p>(ii) Ngwata chiefs office was constructed and it is complete</p> <p>(iii) Nthange primary tank was procured and it is in use</p> <p>(iv) Ituumo primary tank was procured and it is in use</p> <p>(v) Kithasyu primary tank was procured and it is in use</p> <p>(vi) Metava primary tank was procured and it is in use</p> <p>(vii) Sports-Sports activities have been initiated</p>		
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Reference No on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>litres water tank, tank base and related pipe works. Only the tank base and gutters have been done to date.</p> <p>iv. Metava primary school received kshs. 250,000 for the installation of a 10,000 litres water tank, tank base and related pipe works. Only the tank base and gutters have been done to date.</p> <p>Sport</p> <p>i. Sports activities had been allocated a budget of Kshs. 4,000,000 during the year. However, no sports activities were undertaken during the year.</p>			



Name
Fund Account Manager.



