

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 14 AUG 2024

DAY.

WEDNESDAY

TABLED  
BY: **OF**

DEPUTY MAJORITY  
LEADER

CLERK-AT  
THE-TABLE:

FINLAY MURIUKI

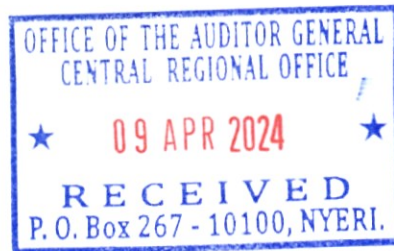
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**THE AUDITOR-GENERAL**

**ON**

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

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



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**KIENI CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**ANNUAL REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2023**

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

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

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**1. Acronyms and Abbreviations**

NG-CDF - National Government Constituency Development Fund

NG-CDFB - National Government Constituencies Development Fund Board

NGCDFC - National Government Constituency Development Fund Committee

PFM - Public Finance Management

ARMC - Audit and Risk Management Committee

IPSAS - International Public Sector Accounting Standards.

PMC - Project Management committee

FY - Financial Year

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

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

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

### **Mandate**

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

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

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

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

## ***Kieni Constituency***

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

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

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### **Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 202X and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Jessi Mathu
2.	Sub-County Accountant	Duncan Mururu
3.	Chairman NGCDFC	Samson Mbugu
4.	Member NGCDFC	Nancy Waruguru

### **(c) Fiduciary Oversight Arrangements**

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

P.O. Box 127  
NG-CDF Building  
Nyeri/Nyahururu Highway  
Mweiga, KENYA

### **(e) Kieni Constituency NGCDF Contacts**

Telephone: (254) 0796-083500  
E-mail: [cdfkieni@ngcdf.go.ke](mailto:cdfkieni@ngcdf.go.ke)  
Website: [kieni.ngcdf.go.ke](http://kieni.ngcdf.go.ke)

**(f) Kieni Constituency NGCDF Bankers**

Kieni NGCDF Account  
Equity Bank - A/C no.0110297244437  
Nyer 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



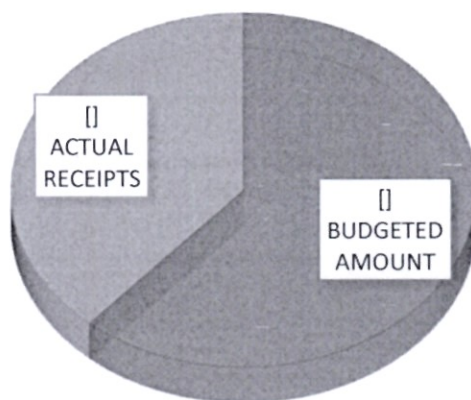
3. NG-CDFC Chairman's Report



It is my great pleasure to present the annual report and financial statement prepared in accordance with the cash basis of accounting method under the international public sector accounting standard (IPSAS) for the year ended 30<sup>th</sup> June 2023.

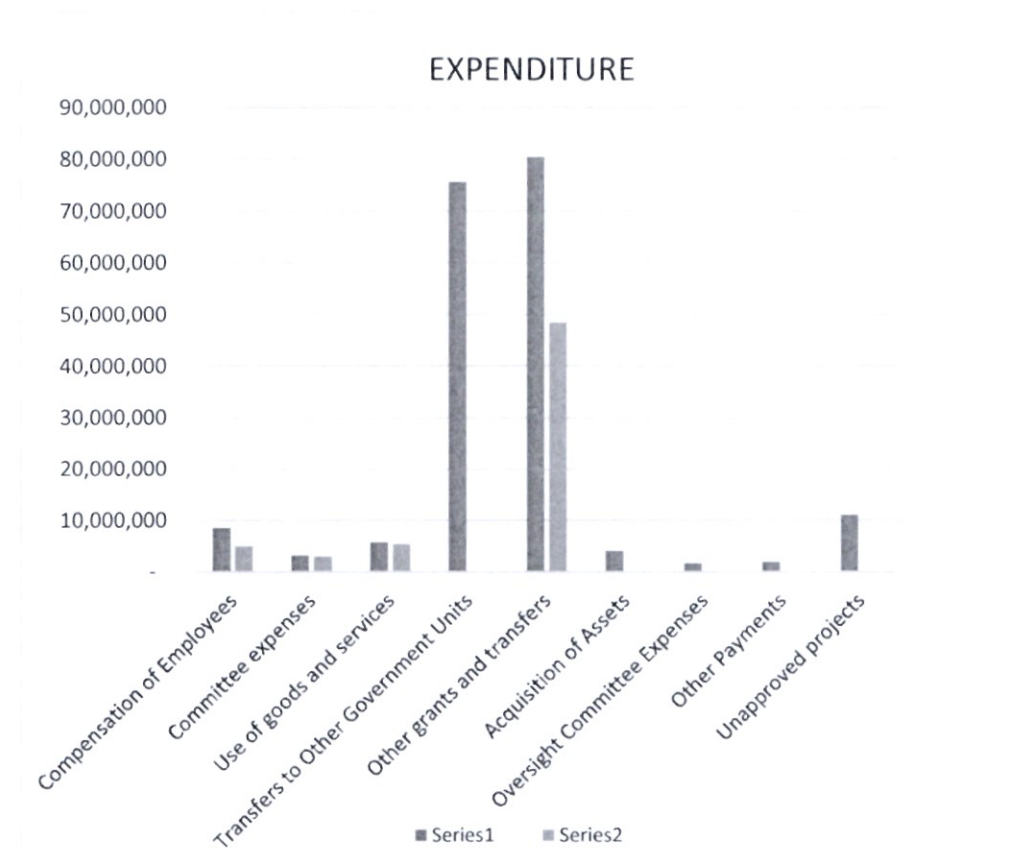
Kieni NG-CDF expected a total budget of Kshs. 192,225,987. The constituency, actual budget was Kshs. 120,520,671. This is 63% out of the expected budget which is a drop from the previous year performance of 92%.

**TOTAL RECEIPTS**



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

Out of the funds available, Kieni NGCDF had an expenditure totalling Kshs. 61,840,096. This was 51% of the total budget funds available.



The bursary received the largest share of the expenditure under other grants and transfer. Under the same category three security project were implemented namely Chaka police station, Tigithi and Amboni assistants' chiefs' offices.

Transfer to other government unit includes to transfer to Primary and secondary schools. The projects could not be implemented to avoid interference with the school learning program. However, the projects are planned during the school holiday season.

Unapproved projects were relating to purchase of land. The process of land valuation of the land has been concluded and its waiting approval by the Board

The projects implemented are as follows:



MWIYOGO PRIMARY SCHOOL CLASSROOM CONSTRUCTION



MUTHUINI ASSITANT CHIEFS OFFICE BLOCK

### **Challenges**

In course of the project implementation the NGCDF encountered a number of challenges:

- Delay in implementation of projects leading to high cost of implementation due to inflation
- Delay in receipt from the NGCDF Board leading to underutilization of the budget
- Vastness of the constituency hence not able to cover many areas with the allocation given.

### **Way forward**

However, the NGCDFC is in process of finalizing their strategic plan for proper planning and ensure efficient and effective project management

.....  
Name: Samson Mbugu  
CHAIRMAN NGCDF COMMITTEE

**4. Statement Of Performance Against Predetermined Objectives for FY2022/23**

**Introduction**

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

The key development objectives of *Kieni Constituency 2022-2026* plan are to:

- a) To improve education performance at all levels of education in academic and co - curricular activities
- b) To support equity and inclusiveness in development
- c) To enhance security of the constituents through multi stakeholders pronged approaches
- d) To harness the potential of the vulnerable groups in combating un employment
- e) To integrate ICT in development initiatives
- f) To assist in environment management and conservation program

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve education performance at all levels of education in academic and co-curricular activities	Increased enrolment and retention in primary schools and improved transition to secondary schools and tertiary institutions and improved school performance	number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 22/23 we supported 36 primary schools and 3 secondary schools to construct classrooms, renovation of classrooms, dormitories and multipurpose halls
			number of bursary beneficiaries at all levels	in FY 22/23 through Bursary fund we supported over 8,000 students secondary schools, over 5,000students in tertiary, secondary and over 200 students in special schools

**Kieni Constituency**

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

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Security	To enhance security of the constituents through multi stakeholders pronged approaches	Improved security which provides conducive environment for the constituents undertake their economic activities	number of physical infrastructure supported under administration and security docket	During the year we supported purchase of furniture to 3 police station offices, and construction of toilet for endarasha police station
Environment	To assist in environment management and conservation program	Improved conservation and management of the environment in the constituency	number of physical infrastructure supported assist in conservation and management of the environment	During the year we supported projects under this sector to harvest and store rain water in the respective projects
Disaster Management	To support management of unforeseen occurrences in the constituency	Enhanced management of the disasters and emergencies that occur within the constituency	Number of projects and programs undertaken to support any emergency occurrence	institutions were supported to assist in management of emergencies occurring from the heavy rains and effects of covid-19 within the constituency
Social economic empowerment	To harness the potential of the venerable groups in combating un employment and ensuring equity and inclusiveness in development	Increased employment opportunities for the vulnerable groups	percentage of compliance to the award of tenders to the youth, women and the persons living with disabilities	During the year the constituency awarded 30% f its tender to the groups under AGPO certificates

## ***Kieni Constituency***

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

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

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## **5. Governance Statement**

### **Background**

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

In this regard section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b),(c), and (d) of the principal Act through a selection panel composed of:

- i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel
- iii. Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

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.

### **Process**

To facilitate this, the selection panel is invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency.

Out of the total 40 applicants, the selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Kieni Constituency Office as per section 43 of the NG-CDF Act, 2015.

S/N	Name	Category representation	Ward
1.	Joseph Wainaina Mburu	Male (Adult)	Naromoru Kiamathaga
2.	Samson Mbugu Wanjiku	Male (Youth)	Mweiga
3.	Nancy Waruguru Muthigani	Female(Adult)	Narumoru/ Kiamathaga
4.	Grace Mukami Githinji	Female(Youth)	Mwiyogo/ Endarasha

**Kieni Constituency**

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**Nominee of the body representing persons with disability**

S/N	Name	Nominating Organisation	Nature of physical Impairment	Remarks	Ward
1.	Geofrey Wanjau Macharia	Rongai PWD SHG	Physical – leg impairment	Requires walking clutches	Thegu River Ward
Name of the Person submitting the nomination				Naomi Gakuru	
Name of the PWD nominating organisation				Rongai PWD SHG	
Signature				Date	

**Nominee of the constituency Office**

S/N	Name	Category	occupation	Ward
1	Stanley Mbugua Ndirangu	Male representative	Farmer	Gatarakwa
2	Naomi Wanjiru Chege	Female Representative	Farmer	Gakawa

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

S/N	Name	Gender	Ward
1.	Catherine Wakonyu Mumbi	Female	Mugunda

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

1. Chairperson position -Mr. Samson Mbugu Wanjiku of ID no. 31823596
2. Secretary position - Nancy Waruguru Muthigani of ID no. 3713440 elected as the secretary to the committee.

During its first meeting, a Constituency Committee established two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i. Bursary sub committee
- ii. Complaints resolution committee.

The following were appointed to the different committee

- i. **Bursary committee**
  1. Grace Mukami - Member
  2. Naomi wanjiru - Member
  3. Joseph Mburu - Member

## *Kieni Constituency*

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

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

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#### ii. Complaints resolution committee

1. Stanley Wambugu - Member
2. Geoffrey Wanjau - Member
3. Catherine Wakonyu - Member

The chairman and the secretary are members of both committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also coopted to be in the Bursary committee.

The Member held total of sixteen full meeting during the year and one sub committee meeting for bursary.

The functions of the National Government Constituency Development Fund Committees members 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;
- x. Receive and address all complaints concerning the



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.

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.

## 6. Environmental and Sustainability Reporting

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

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

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

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

## **2. Environmental performance**

- NG-CDF, Kieni Constituency, often sensitizes the PMC on proper environment conservation: planting of environmental friendly trees, inclusion of water harvesting and storage facilities and storm water control measures like construction of gabions during project implementation.

## **3. Employee welfare**

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

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

Kieni 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-

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

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

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

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

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

**Public Awareness**

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

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



.....  
Name *Jessi Matu*  
Fund Account Manager.

## 7. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF- Kieni 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.

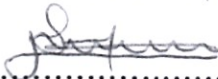
The Accounting Officer in charge of the NGCDF- Kieni Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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- Kieni 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 Kieni Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a

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

**Approval of the financial statements**

The NGCDF- Kieni Constituency financial statements were approved and signed by the Accounting Officer on 16/09/2023 2023.



.....  
Name; Samson Mbugu  
Chairman – NGCDF Committee



.....  
Name: Jessi Mathu  
Fund Account Manager

# REPUBLIC OF KENYA

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NAIROBI

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Kieni Constituency set out on pages 1 to 42, which



comprises 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 effects of the matter described in basis for the Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kieni 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 (Amendment 2022).

### **Basis for Opinion**

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

Annex 5 to the financial statement reflects Project Management Committee (PMC) Bank Account balances totalling Kshs.7,782,402. However, the bank reconciliations supporting the balance were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC Bank Account balances of Kshs.7,782,402 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 - Kieni 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 opinion.

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The summary statement of appropriation reflects a final receipt budget actual on comparable basis of Kshs.192,225,987 and 120,520,671 respectively resulting to an under-funding of Kshs.71,705,316 or 37% of the budget. Similarly, the Fund spent an amount of Kshs.61,840,096 against actual receipts of Kshs.120,520,671 resulting to an under-utilization of Kshs.58,680,575 or 49% of the actual receipts.

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

Further, included in the total receipts final budget balance of Kshs.192,225,987 is an amount of Kshs.26,583,747 in respect to cash at bank, which was released by the National Government Constituencies Development Fund Board but not spent by the Fund. Failure to spend funds already released by the Board denied the public services.

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**

As previously reported in the financial year 2021/2022, matters raised in the audit report were indicated as resolved in Annex 6 Progress on follow up on prior year audit recommendations. However, no information was provided to indicate if the matters were resolved.

## **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. Delayed Completion of Projects**

According to the Project Implementation Status (PIS) report provided for audit review, the Fund planned to implement sixty-one (61) Projects with a budget of Kshs.93,834,785 in the year ended 30 June, 2023. However, according to the report, three (3) Projects were completed at a cost of Kshs.6,200,000, fifty-eight (58) projects costing Kshs.87,634,785 were not started.

In the circumstances, the non-implementation of projects as planned denied the public benefits associated with completed projects.

#### **2. Irregular House Allowance Expenditure**

The statement of receipts and payments reflects an amount of Kshs.4,963,101 in respect of compensation of employees as disclosed in Note 4. However, Management paid house

allowance to employees using rates that were not prescribed by SRC Circular Ref No. SRC/TS/MDP/3/1/2(2) dated 11 August, 2015 thereby resulting in an overpayment of Kshs.19,510.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Management of Fixed Assets**

Review of the asset register revealed that one (1) Motor Grader, one (1) Toyota Double Cab Hilux and two (2) Motor Cycles all costing Kshs.21,225,145 had been packed at various yards for years with no indication of the plans either to repair or dispose them contrary to Regulation 139(1)(a) of Public Finance Management (National Government) Regulations, 2015 which requires that the Accounting Officer institutes preventative mechanisms to eliminate theft, security threats, losses, wastage and misuse of assets as required under .

In the circumstances, existence of effective controls on the assets could not be confirmed.

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

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

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion.
- My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

20 May, 2024

*Kieni Constituency*

*National Government Constituencies Development Fund (NGCDF)*


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

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

	Note	2022-2023	2021-2022
			<b>Kshs</b>
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	104,018,404	161,177,758
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>104,018,404</b>	<b>161,177,758</b>
<b>PAYMENTS</b>			
Compensation of employees	4	4,963,101	3,118,800
Committee expenses	5	3,077,365	3,607,450
Use of goods and services	6	5,345,790	6,717,566
Transfers to Other Government Units	7	-	67,000,000
Other grants and transfers	8	48,453,840	118,912,180
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>TOTAL PAYMENTS</b>		<b>61,840,096</b>	<b>199,355,996</b>
<b>SURPLUS/DEFICIT</b>		<b>42,178,308</b>	<b>(38,178,238)</b>

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

The Constituency financial statements were approved by the NGCDFC on 16/09/2023 and signed by:

  
\_\_\_\_\_


Fund Account Manager

Name: Jessi Mathu

  
\_\_\_\_\_

National Sub-County  
Accountant

Name: Duncan Mururu  
ICPAK M/No: 19439

  
\_\_\_\_\_

Chairman NG-CDF  
Committee

Name: Samson Wanjiku

*Kieni Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

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

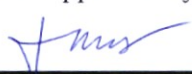
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	11A	58,680,575	16,502,267
Cash Balances (cash at hand)	11B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>58,680,575</b>	<b>16,502,267</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	12	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>58,680,575</b>	<b>16,502,267</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	13A	-	-
Gratuity	13B	-	-
<b>NET FINANCIAL SSETS</b>		<b>58,680,575</b>	<b>16,502,267</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	14	16,502,267	54,743,581
Prior year adjustments	15	-	(63,076)
Surplus/Defict for the year		42,178,308	(38,178,238)
<b>NET FINANCIAL POSITION</b>		<b>58,680,575</b>	<b>16,502,267</b>

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


The Constituency financial statements were approved by NG CDFC on 16/09/2023 and signed by:

  
Fund Account Manager

Name: Jessi Mathu

  
National Sub-County  
Accountant

Name: Duncan Mururu  
ICPAK M/No: 19439

  
Chairman NG-CDF  
Committee

Name: Samson Wanjiku



**Kieni Constituency**

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


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

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


		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	104,018,404	161,177,758
Other Receipts	3	-	-
		<b>104,018,404</b>	<b>161,177,758</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	4,963,101	3,118,800
Committee expenses	5	3,077,365	3,607,450
Use of goods and services	6	5,345,790	6,717,566
Transfers to Other Government Units	7	-	67,000,000
Other grants and transfers	8	48,453,840	118,912,180
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
		<b>61,840,096</b>	<b>199,355,996</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	16	-	-
Increase/(Decrease) in Accounts Payable	17	-	(63,076)
Prior year Adjustments	15	-	-
<b>Net Adjustments</b>		-	(63,076)
<b>Net cash flow from operating activities</b>		<b>42,178,308</b>	<b>(38,241,314)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		-	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>42,178,308</b>	<b>(38,241,314)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>11</b>	<b>16,502,267</b>	<b>54,743,581</b>
<b>Cash and cash equivalent at END of the year</b>		<b>58,680,575</b>	<b>16,502,267</b>

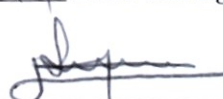
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 16/09/2023 and signed by:

  
Fund Account Manager

Name: Jessi Mathu

  
National Sub-County  
Accountant  
Name: Duncan Mururu  
ICPAK M/No: 19439

  
Chairman NG-CDF  
Committee  
Name: Samson Wanjiku

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

12. Summary Statement of Appropriation for The Year Ended 30<sup>th</sup> June 2023

Receipts/Payments	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2022/2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022/2023	2022/2023		
Transfers from NG-CDF Board	165,705,316	16,502,267	10,018,404	192,225,987	120,520,671	71,705,316	62.7%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	0.0%
<b>TOTAL RECEIPTS</b>	<b>165,705,316</b>	<b>16,502,267</b>	<b>10,018,404</b>	<b>192,225,987</b>	<b>120,520,671</b>	<b>71,705,316</b>	<b>62.7%</b>
PAYMENTS							
Compensation of Employees	6,693,900	1,829,967	-	8,523,867	4,963,101	3,560,766	58.2%
Committee expenses	3,096,000	115,550	-	3,211,550	3,077,365	134,185	95.8%
Use of goods and services	5,123,578	574,620	-	5,698,198	5,345,790	352,408	93.8%
Transfers to Other Government Units	61,600,001	9,000,000	5,000,000	75,600,001	-	75,600,001	0.0%
Other grants and transfers	73,936,190	4,482,130	2,018,404	80,436,724	48,453,840	31,982,884	60.2%
Acquisition of Assets	3,598,594	500,000	0	4,098,594	-	4,098,594	0.0%
Oversight Committee Expenses	1,657,053	0	0	1,657,053	-	1,657,053	0.0%
Other Payments	2,000,000	0	0	2,000,000	-	2,000,000	0.0%
Unapproved projects	8,000,000	0	3,000,000	11,000,000	-	11,000,000	0.0%
<b>TOTAL</b>	<b>165,705,316</b>	<b>16,502,267</b>	<b>10,018,404</b>	<b>192,225,987</b>	<b>61,840,096</b>	<b>130,385,891</b>	<b>32.2%</b>

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

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

Below is commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Underutilization on the compensation of employees is due unutilized gratuity, to be paid at the end of the contract
- ii. Underutilization on the transfer to other government units relates to project approved but yet received fund from the board
- iii. Underutilization on the Other grants and transfers relates to project approved but yet received fund from the board
- iv. Underutilization on the Acquisition of Assets relates to project approved but yet received fund from the board
- v. Underutilization on the Oversight Committee Expenses relates to project approved but yet received fund from the board
- vi. Underutilization on the Other Payments it relates to preparation of strategic plan approved but yet received fund from the board

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	130,385,891
Less undisbursed funds receivable from the Board as at 30th June 2023	71,705,316
	58,680,575
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	
Cash and Cash Equivalents at the end of the FY 2022/2023	58,680,575

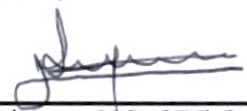
The Constituency financial statements were approved by NG CDFC on 16/09/ 2023 and signed by:

  
 Fund Account Manager

Name: Jessi Mathu

  
 National Sub-County Accountant

Name: Duncan Mururu  
 ICPAK M/No: 19439

  
 Chairman NG-CDF Committee

Name: Samson Wanjiku

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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	6,693,900	1,829,967	-	8,523,867	4,963,101	3,560,766
1.2 Committee allowances	1,248,000	42,300	-	1,290,300	1,272,000	18,300
1.3 Use of goods and services	2,000,419	421,473	-	2,421,892	1,755,677	666,215
<b>Total</b>	<b>9,942,319</b>	<b>2,293,740</b>	<b>-</b>	<b>12,236,059</b>	<b>7,990,778</b>	<b>4,245,281</b>
<b>2.0 Monitoring and evaluation</b>						-
2.1 Capacity building	700,000	59,456		759,456	741,000	18,456
2.2 Committee allowances	1,848,000	73,250		1,921,250	1,805,365	115,885
2.3 Use of goods and services	2,423,159	93,691		2,516,850	2,350,613	166,237
<b>Total</b>	<b>4,971,159</b>	<b>226,397</b>	<b>-</b>	<b>5,197,556</b>	<b>4,896,978</b>	<b>300,578</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools				-		-
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects			-	-		-
3.5 Unutilised	7,636,190			7,636,190	-	7,636,190

**Kieni Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
<b>Total</b>	7,636,190	-		7,636,190	-	7,636,190
<b>4.0 Bursary and Social Security</b>						
4.1 Secondary Schools	30,000,000	19,968	-	30,019,968	25,182,049	4,837,919
4.2 Tertiary Institutions	19,000,000	599	-	19,000,599	13,885,387	5,115,212
4.3 Social Security		-	-	-	-	-
4.4 Special Needs	1,000,000	231,563	-	1,231,563	668,000	563,563
<b>Total</b>	<b>50,000,000</b>	<b>252,130</b>	<b>-</b>	<b>50,252,130</b>	<b>39,735,436</b>	<b>10,516,694</b>
<b>5.0 Sports</b>						
5.1 Sports activities	3,300,000	-	2,018,404	5,318,404	2,018,404	3,300,000
<b>Total</b>	<b>3,300,000</b>	<b>-</b>	<b>2,018,404</b>	<b>5,318,404</b>	<b>2,018,404</b>	<b>3,300,000</b>
<b>6.0 Environment</b>						
Mweiga NGCDF office		300,000		300,000		300,000
Burguret Asst chief office		265,000		265,000		265,000
Nairutia police station		265,000		265,000		265,000
Bondeni Assitant chiefs office	300,000			300,000		300,000
Endarasha chiefs office	300,000			300,000		300,000
Gathiuru Assitant chiefs office	300,000			300,000		300,000
Kimunyuru Assitant chiefs office	300,000			300,000		300,000
Kirima Assistant chiefs office	300,000			300,000		300,000
Labura Assitant chiefs office	300,000			300,000		300,000

***Kieni Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
Lusoi chiefs office block	300,000			300,000		300,000
Muthu-ini Assistant Chiefs Office	300,000			300,000		300,000
Njengu Assitant chiefs office	300,000			300,000		300,000
Ruirii Assitant chiefs office	300,000			300,000		300,000
Wasonyiro Assistant Chiefs Office	300,000			300,000		300,000
<b>Total</b>	<b>3,300,000</b>	<b>830,000</b>	<b>-</b>	<b>4,130,000</b>	<b>-</b>	<b>4,130,000</b>
<b>7.0 Primary Schools Projects</b>						
Kabendera Primary school		-	1,500,000	1,500,000		1,500,000
Airstrip primary school	1,500,000			1,500,000		1,500,000
Amboni primary school	1,500,000			1,500,000		1,500,000
Chaka primary school	2,000,000			2,000,000		2,000,000
Charity primary school	1,500,000			1,500,000		1,500,000
Endarasha primary school	1,000,000			1,000,000		1,000,000
Gatuanyaga primary school	1,500,000			1,500,000		1,500,000
Gitinga primary school	1,500,000			1,500,000		1,500,000
Igathu primary school	1,500,000			1,500,000		1,500,000
Ikumari primary school	1,500,000			1,500,000		1,500,000
Kabaru primary school	1,000,000			1,000,000		1,000,000
Kandara Arimi primary school	1,500,000			1,500,000		1,500,000
Karicheni primary school	1,500,000			1,500,000		1,500,000
Karichuta Primary school	1,500,000			1,500,000		1,500,000

**Kieni Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 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			
Katheri Primary school	1,500,000			1,500,000		1,500,000
Kiahuko primary school	3,000,000			3,000,000		3,000,000
Kiahuria primary school	1,500,000			1,500,000		1,500,000
Kiaragana primary school	100,000			100,000		100,000
Kiguru Primary school	1,000,000			1,000,000		1,000,000
Kimbo primary school	1,500,000			1,500,000		1,500,000
Macharia primary school	1,500,000			1,500,000		1,500,000
Manyatta primary school	1,500,000			1,500,000		1,500,000
Mapema primary school	1,500,000			1,500,000		1,500,000
Muriru primary school	3,000,000			3,000,000		3,000,000
Mweiga primary school	3,000,000			3,000,000		3,000,000
Mwihoko primary school	1,500,000			1,500,000		1,500,000
Narumoru Township primary school	3,000,000			3,000,000		3,000,000
Ndunyugwathi primary school	1,500,000			1,500,000		1,500,000
Ngarinyiro primary school	1,500,000			1,500,000		1,500,000
Njengu Primary school	1,200,000			1,200,000		1,200,000
Ruai primary school	1,500,000			1,500,000		1,500,000
Rurichu primary school	3,000,000			3,000,000		3,000,000
Talau primary school	1,500,001			1,500,001		1,500,001
Tanyai primary school	1,500,000			1,500,000		1,500,000
Warazo Jet primary school	1,500,000			1,500,000		1,500,000

**Kieni Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
<b>Total</b>	55,800,001	-	1,500,000	57,300,001	-	57,300,001
<b>8.0 Secondary Schools Projects</b>						-
St. Joseph Allamano Secondary School		2,000,000	-	2,000,000		2,000,000
Ruirii Secondary school			2,500,000	2,500,000		2,500,000
Karundas Secondary school			1,000,000	1,000,000		1,000,000
Kiaragana Secondary school	3,000,000			3,000,000		3,000,000
Narumoru Girls secondary school	2,000,000			2,000,000		2,000,000
Observation hill Mixed day secondary school	800,000			800,000		800,000
<b>Total</b>	5,800,000	2,000,000	3,500,000	11,300,000	-	11,300,000
<b>9.0 Tertiary institutions Projects</b>				-		
Kieni Campus KMTC		7,000,000		7,000,000		7,000,000
<b>Total</b>	-	7,000,000	-	7,000,000	-	7,000,000
<b>10.0 Security Projects</b>				-		-
Amboni Assistant chiefs office		200,000		200,000	200,000	-
Chaka chiefs office		500,000		500,000		500,000
Kimunyuru Assistant Chiefs Office		2,000,000		2,000,000		2,000,000
Mweiga assistant chiefs office		200,000		200,000		200,000
Tigithi assistant chiefs		500,000		500,000	500,000	-
Chaka Police station	1,000,000			1,000,000		1,000,000
Chaka Police station	3,000,000			3,000,000	3,000,000	-



**Kieni Constituency**

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

**Annual Report and Financial Statements for The Year Ended June 30, 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
Chaka Police station	2,900,000			2,900,000	2,900,000	-
Chaka Police station	300,000			300,000	100,000	200,000
Endarasha police station	900,000			900,000		900,000
Endarasha police station	1,000,000			1,000,000		1,000,000
Endarasha police station	300,000			300,000		300,000
Ndathi police station	300,000			300,000		300,000
<b>Total</b>	<b>9,700,000</b>	<b>3,400,000</b>	<b>-</b>	<b>13,100,000</b>	<b>6,700,000</b>	<b>6,400,000</b>
<b>11.0 Acquisition of assets</b>				-		
Mweiga NG-CDF office,	-	500,000		500,000	498,500	1,500
NG CDF office	2,967,974		-	2,967,974	-	2,967,974
NGCDF office	630,620		-	630,620	-	630,620
<b>Total</b>	<b>3,598,594</b>	<b>500,000</b>	<b>-</b>	<b>4,098,594</b>	<b>498,500</b>	<b>3,600,094</b>
<b>12.0 Oversight Committee Expenses</b>				-		
Travel Costs (airlines, bus, railway, mileage allowances, etc.)	150,000			150,000		150,000
Accommodation - Domestic Travel	300,000			300,000		300,000
General Office Supplies (papers, pencils, forms, small office equipment)	150,000			150,000		150,000
Refined Fuels and Lubricants for Transport	457,053			457,053		457,053
COC allowance	600,000			600,000		600,000
<b>Total</b>	<b>1,657,053</b>		<b>-</b>	<b>1,657,053</b>		<b>1,657,053</b>
<b>13.0 Other payments</b>				-		-
Strategic Plan	2,000,000			2,000,000		2,000,000

*Kieni Constituency  
National Government Constituencies Development Fund (NGCDF)  
Annual Report and Financial Statements for The Year Ended June 30, 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2022-2023			2022-2023		
<b>Total</b>	2,000,000	-	-	2,000,000	-	2,000,000
<b>14.0 unallocated fund</b>				-		
Unapproved projects	8,000,000	-	3,000,000	11,000,000		11,000,000
AIA		-		-		-
FMC savings		-		-		
<b>Total</b>	8,000,000	-	3,000,000	11,000,000	-	11,000,000
	165,705,316	16,502,267	10,018,404	192,225,987	61,840,096	130,385,891

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

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

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

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

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

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

##### **2. Reporting Entity**

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

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

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

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

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

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

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

*Unutilized Funds from PMCs.*

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

**External Assistance**

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

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

***Kieni Constituency***

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

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

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

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

**12. Comparative Figures**

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

*Significant Accounting Policies Continued*

**13. Subsequent Events**

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

**14. Errors**

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

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

**15. Related Party Transactions**

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



*Kieni Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE no. B140935		32,088,879
AIE no. B105655		44,000,000
AIE no. B105806		24,000,000
AIE no. B128546		5,000,000
AIE no. B128858		26,000,000
AIE no. B154054		30,088,879
AIE No. A 888977	2,018,404	
AIE No. A 895100	5,000,000	
AIE No. B 185103	7,000,000	
AIE No. B 185637	15,000,000	
AIE No. B 185516	6,000,000	
AIE No. B206137	5,000,000	
AIE No. B206401	12,000,000	
AIE No. B205775	12,000,000	
AIE No. B207898	20,000,000	
AIE No. B207536	20,000,000	
Total	104,018,404	161,177,758

2. Proceeds From Sale of Assets

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

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

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*Notes To The Financial Statements (Continued)*

3. Other Receipts

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

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

*Notes To the Financial Statements (Continued)*

4. Compensation Of Employees

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	3,460,471	2,841,430
<b>Personal allowances paid as part of salary</b>		
House allowance	133,800	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	1,122,590	89,450
Employer Contributions Compulsory national social security schemes	246,240	187,920
<b>TOTAL</b>	<b>4,963,101</b>	<b>3,118,800</b>

5. Committee Expenses

Sitting allowance	2,545,000	2,124,700
Other committee expenses	532,365	1,482,750
<b>TOTAL</b>	<b>3,077,365</b>	<b>3,607,450</b>

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

*Notes To The Financial Statements (Continued)*

6. Use of Goods and services

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	-	9,450
Electricity	58,155	42,570
Water & sewerage charges	45,674	19,859
Office rent		-
Communication, supplies and services	-	129,550
Domestic travel and subsistence	937,691	1,399,000
Printing, advertising and information supplies & services	247,000	-
Rentals of produced assets		-
Training expenses	741,000	1,634,400
Hospitality supplies and services	1,283,562	660,176
Insurance costs	-	165,240
Specialised materials and services	-	-
Office and general supplies and services	661,570	517,840
Fuel , oil & lubricants	668,238	970,000
Other operating expenses	498,500	656,500
Bank service commission and charges	4,400	43,794
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	200,000	469,187
Routine maintenance- other assets	-	-
<b>TOTAL</b>	<b>5,345,790</b>	<b>6,717,566</b>

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

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

**7. Transfer To Other Government Units**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to Primary Schools	-	42,000,000
Transfers to Secondary Schools	-	25,000,000
Transfers to Tertiary Institutions	-	
<b>TOTAL</b>	-	<b>67,000,000</b>

**8. Other Grants and Other transfers**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary - Secondary ( see attached list)	25,182,049	24,420,207
Bursary -Tertiary ( see attached list)	13,885,387	23,696,733
Bursary- Special Schools	668,000	596,560
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects ( see attached list)	6,700,000	53,600,000
Sports Projects ( see attached list)	2,018,404	4,868,032
Environment Projects ( see attached list)	-	2,630,000
Emergency Projects ( see attached list)	-	9,100,648
Roads Projects	-	-
<b>TOTAL</b>	<b>48,453,840</b>	<b>118,912,180</b>

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

*Notes To the Financial Statements (Continued)*

9. Acquisition Of Assets

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

10. Other Payments

	<b>2022-2023</b>	<b>2021-2022</b>
<b>Oversight Committee Expenses</b>	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	-	-
Other COC expenses	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**Kieni Constituency**

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

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

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

**11. Cash Book Bank Balance**

<b>11A: Bank Balances (cash book bank balance)</b>		
<b>Name of Bank, Account No. &amp; currency</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs (30/6/2023)</b>	<b>Kshs (30/6/2022)</b>
<i>Equity Bank, A/C no.0110297244437 , Nyeri Branch . (main account)</i>	58,680,575	20,002,267
less payment undercast	-	(3,500,000)
	-	-
<b>TOTAL</b>	<b>58,680,575</b>	<b>16,502,267</b>
<b>11 B: CASH IN HAND)</b>		
	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs (30/6/2023)</b>	<b>Kshs (30/6/2022)</b>
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
<b>TOTAL</b>	-	-
		<i>[Provide cash count certificates for each]</i>

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

12. Outstanding Imprests

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

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



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

**Deposits and Retentions aging analysis.**

	2022-2023	% of the total	2021-2022	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

**14. Gratuity**

Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	-	89,450
Gratuity paid during the Year (C)	-	89,450
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2022-1)	(1 <sup>st</sup> July 2021-2)
	Kshs	Kshs
Bank accounts	16,502,267	54,743,581
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>16,502,267</b>	<b>54,743,581</b>
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	-	-

*[Provide short appropriate explanations as necessary]*

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*Notes to the Financial Statement Continued*

**16. Prior Year Adjustments**

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

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

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

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

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

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

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

**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	-	-

**Aging Analysis for Pending Accounts Payables**

	2022-2023	% of the total	2021-2022	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

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

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

**Aging Analysis for staff Payables**

	2022-2023	% of the total	2021-2022	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

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19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	3,560,766	2,860,967
Committee expenses	134,185	-
Use of goods and services	352,408	733,964
Amounts due to other Government entities (see attached list)	75,600,001	14,000,000
Amounts due to other grants and other transfers (see attached list)	31,982,884	10,177,920
Acquisition of assets	4,098,594	500,000
Oversight Committee Expenses	1,657,053	-
Others (strategic plan)	2,000,000	-
Funds pending approval	11,000,000	3,000,000
<b>Total</b>	<b>130,385,891</b>	<b>31,272,851</b>

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19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	7,782,402	45,618,138
<b>Total</b>	<b>7,782,402</b>	<b>45,618,138</b>

19.5 Related Party Transactions

	<i>Insert current FY</i>	<i>Insert Comparative FY</i>
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	-	-
<b>Transaction with the NGCDF Board</b>		
Receipts from the NGCDF Board during the year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
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

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

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2022-2023	2021-2022	
Compensation of employees	Payment of salaries and gratuity	3,560,766	1,829,967	
Use of goods & services	Payment for office administration and recurrent expenses and facilitate monitoring and evaluation and NGCDFC/PMC capacity building	985,093.0	690,170	
<b>Amounts due to other Government entities</b>				
Kabendera Primary school	classroom construction	1,500,000	1,500,000	
St. Joseph Allamano Secondary School	Laboratory construction	2,000,000	2,000,000	
Ruirii Secondary school	Laboratory construction	2,500,000	2,500,000	
Karundas Secondary school	3 classroom completion	1,000,000	1,000,000	
Kieni KMTC	Office block construction	7,000,000	7,000,000	
Airstrip primary school	classroom construction	1,500,000		
Amboni primary school	classroom construction	1,500,000		
Chaka primary school	Classroom renovations	2,000,000		
Charity primary school	classroom construction	1,500,000		
Endarasha primary school	Classroom renovations	1,000,000		
Gatuanyaga primary school	classroom construction	1,500,000		
Gitinga primary school	classroom construction	1,500,000		
Igathu primary school	classroom construction	1,500,000		
Ikumari primary school	Classroom renovations	1,500,000		
Kabaru primary school	Classroom renovations	1,000,000		
Kandara Arimi primary school	Toilet construction	1,500,000		



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Karicheni primary school	classroom construction	1,500,000	
Karichuta Primary school	classroom construction	1,500,000	
Katheri Primary school	classroom construction	1,500,000	
Kiahuko primary school	classroom construction	3,000,000	
Kiahuria primary school	classroom construction	1,500,000	
Kiaragana primary school	classroom construction	100,000	
Kiguru Primary school	Toilet construction	1,000,000	
Kimbo primary school	classroom construction	1,500,000	
Macharia primary school	classroom construction	1,500,000	
Manyatta primary school	classroom construction	1,500,000	
Mapema primary school	classroom construction	1,500,000	
Muriru primary school	classroom construction	3,000,000	
Mweiga primary school	Classroom renovations	3,000,000	
Mwihoko primary school	classroom construction	1,500,000	
Narumoru Township primary school	Classroom renovations	3,000,000	
Ndunyugwathi primary school	classroom construction	1,500,000	
Ngarinyiro primary school	classroom construction	1,500,000	
Njengu Primary school	Toilet construction	1,200,000	
Ruai primary school	classroom construction	1,500,000	
Rurichu primary school	classroom construction	3,000,000	
Talau primary school	classroom construction	1,500,001	
Tanyai primary school	classroom construction	1,500,000	

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Warazo Jet primary school	Classroom renovations	1,500,000		
Kiaragana Secondary school	classroom construction	3,000,000		
Narumoru Girls secondary school	Dormitory construction	2,000,000		
Observation hill Mixed day secondary school	Dining hall construction	800,000.00		
<b>Sub-Total</b>		<b>75,600,001.00</b>	<b>14,000,000</b>	
<b>Amounts due to other grants and other transfers</b>				
1. Bursary secondary school	Bursary support to needy secondary students	4,837,919	83,044	
2. Bursary tertiary school	Bursary support to needy secondary students	5,115,212	599	
3. Bursary - special school	Bursary support to needy secondary students	563,563	231,563	
4. Sports	facilitate constituency tournament	3,300,000	2,018,404	
5. Emergency	cater for unseen occurrences in the constituency	7,636,190	-	
6. Security Projects				
Amboni Assistant chiefs office	electrification of office	-	200,000	
Chaka chiefs office	completion of office	500,000	500,000	
Kimunyuru Assistant Chiefs Office	Office block construction	2,000,000	2,000,000	
Mweiga assistant chiefs office	electrification of office	200,000	200,000	
Tigithi assitant chiefs	Toilet construction		500,000	
Chaka Police station	completion of office	1,000,000		
Chaka Police station	purchase of furniture	200,000		
Endarasha police station	fencing	900,000		
Endarasha police station	Toilet construction	1,000,000		

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Endarasha police station	purchase of furniture	300,000		
Ndathi police station	purchase of furniture	300,000		
7. Environment				
Mweiga NGCDF office	water harvesting and storage	300,000	300000	
Burguret Asst chief office	water harvesting and storage	265,000	265000	
Nairutia police station	water harvesting and storage	265,000	265000	
Bondeni Assitant chiefs office	water harvesting and storage	300,000		
Endarasha chiefs office	water harvesting and storage	300,000		
Gathiuru Assitant chiefs office	water harvesting and storage	300,000		
Kimunyuru Assitant chiefs office	water harvesting and storage	300,000		
Kirima Assistant chiefs office	water harvesting and storage	300,000		
Labura Assitant chiefs office	water harvesting and storage	300,000		
Lusoi chiefs office block	water harvesting and storage	300,000		
Muthu-ini Assistant Chiefs Office	water harvesting and storage	300,000		
Njengu Assitant chiefs office	water harvesting and storage	300,000		
Ruirii Assitant chiefs office	water harvesting and storage	300,000		
Wasonyiro Assistant Chiefs Office	water harvesting and storage	300,000		
<b>Sub-Total</b>		<b>31,982,884</b>	<b>6,563,610</b>	
<b>Acquisition of assets</b>				
NGCDF office	Office renovations	1,500	500000	
NG CDF office	Office renovations	2,967,974		
NGCDF office	purchase of motor bikes	630,620		
<b>Sub-Total</b>			<b>500000</b>	

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		3,600,094	
<b>Others (specify)</b>			
<b>12.0 Oversight Committee Expenses (itemize)</b>			
Travel Costs (airlines, bus, railway, mileage allowances, etc.)	Travel Costs (airlines, bus, railway, mileage allowances, etc.)	150,000	
Accommodation - Domestic Travel	Accommodation - Domestic Travel	300,000	
General Office Supplies (papers, pencils, forms, small office equipment etc)	General Office Supplies (papers, pencils, forms, small office equipment etc)	150,000	
Refined Fuels and Lubricants for Transport	Refined Fuels and Lubricants for Transport	457,053	
COC allowance	COC allowance	600,000	
<b>Sub-Total</b>		<b>1,657,053</b>	
<b>13.0 Other payments</b>			
Strategic Plan	Preparation of strategic plan	2,000,000	
Funds pending approval		11,000,000.00	3,000,000
<b>Grand Total</b>		<b>130,385,891.00</b>	<b>26,583,747</b>

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs)			(Kshs)
	2021/22			2022/23
Land	-			-
Buildings and structures	20,888,456			20,888,456
Transport equipment	9,763,625			9,763,625
Office equipment, furniture and fittings	2,248,518			2,248,518
ICT Equipment, Software and Other ICT Assets	3,177,166			3,177,166
Other Machinery and Equipment	18,005,520			18,005,520
Heritage and cultural assets	-			-
Intangible assets	-			-
<b>Total</b>	<b>54,083,285</b>			<b>54,083,285</b>

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

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Kieni CDF Sports tournament	Equity Bank	0110262506980	93,108	
Tigithi asst chiefs office	Equity Bank	1150282775845	566.00	
Amboni Assitant chiefs office	Family Bank	05500057941	9120	
Chaka Police station	Family Bank	055000057887	326,157	
Chaka Primary School	Equity Bank	1150262261922	1,000,000	
Gikamba Assistant Chief Office	Equity Bank	1150281167234	2,500,000	
Mlima Kenya Primary School	Equity Bank	1150282706720	1,000,000	
Bondeni Primary School	Equity Bank	0110297126222	1,733,451	
Rodama Primary School	Equity Bank	1150280612861	1,120,000	
<b>Total</b>			<b>7,782,402</b>	

**Annex 6: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Delayed implementation of School infrastructure projects	<i>The delay was as result of education school program where the projects to be implemented required interference with the school learning session. However, the procurement process has been initiated and it is in the process of been implemented.</i>	resolved	
2.1	Delayed residence renovation n construction of office	<i>The delay on implementation was as result of site identification, however the project procurement have been initiated it is in the process of been implemented.</i>	resolved	
2.2	Delayed installation of electricity	<i>- The project was to be implemented by the Rural electrification Authority, However the delayed implementation was as result of the budgeting from the Institution. The budgetary estimates for projects forwarded for consideration under matching category were to be prioritized those to progress for survey based on the available funding of Ksh. 10M. The NGCDF is has written to the Rural Electrification and Renewable Energy Corporation towards implementation of the projects as per the available funds as it awaits allocation of more funding in the sub sequent financial year</i>	Unresolved	Dec,2023

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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)
3.0	unserviceable Motor Grader	<i>The report, on the unserviceable assets have been noted and the NGCDFC will subsequently initiate the disposal committee for the purpose of disposal of the unserviceable and absolute equipment or assets.</i>	unresolved	Dec,2023

  
 Name *Jessi Mathur*  
 Fund Account Manager.