

REPUBLIC OF KENYA



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TABLED  
BY:

HON. OWEN BAYA, MP  
DEPUTY LEADER OF THE  
MAJORITY PARTY

OF  
CLERK AT  
THE TABLE:

ESTHER NGEN-TO

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND – KISAUNI  
CONSTITUENCY**

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







OFFICE OF THE AUDITOR - GENERAL  
P.O.Box 95202, MOMBASA  
28 MAR 2024  
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**KISAUNI CONSTITUENCY**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2023**

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



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**1. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

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

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

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

### **Mandate**

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

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



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

### **Vision**

Equitable Socio-economic development countrywide

### **Mission**

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

### **Core Values**

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

### **Functions of NG-CDF Committee**

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

#### **(b) Key Management**

The Kisauni 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)

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

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**Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Monica Mwai
2.	Sub-County Accountant	Edwin Indase Ozige
3.	Chairman NGCDFC	Allan Owano
4.	Member NGCDFC	Mohammed Yusuf

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 87910-80100  
Opp. Jocham Hospital  
Karisa Maitha Road  
Mombasa, Kenya

**(e) Kisauni Constituency NGCDF Contacts**

Telephone: 020-263094  
E-mail: [cdfkisauni@ngcdf.go.ke](mailto:cdfkisauni@ngcdf.go.ke)  
Website: [Kisauni-ng-cdf.co.ke](http://Kisauni-ng-cdf.co.ke)



**(f) Kisauni Constituency NGCDF Bankers**

Family Bank  
Nkrumah Branch  
A/c 095000060410  
P.O.Box 87910-80100  
Mombasa Kenya

**(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



**ALLAN OWANO**

**NG-CDF Chairman**

#### **BUDGET PERFORMANCE**

NG CDF Kisauni has utilized its allocated funds by undertaking its budgeted projects and allocations by 46% of the funds has been utilized. In summary the budget performance against the actual amounts over the financial year was fairly good based on the economic classification and programmes. NG CDF Kisauni has had major achievements in implementation of education and projects over the year.

#### **KEY ACHIEVEMENTS**

During the period under review, NG CDF Kisauni has been able to achieve the following;

- Empowering youth in the constituency by issuing bursary to the bright and needy students in secondary and tertiary institution.
- Empowering youths by proving driving Licence to the youths and sports equipment's to teams within the constituency.
- Building of new primary and secondary schools within the constituency to enable the residents to access nearby schools.

#### **EMERGING ISSUES**

- Increased School enrolment.
- Population Increase.
- Existence of County Governments considers CDF as a competitor instead of complementary.
- NG CDF Board to reduce the rate of staff turnovers in constituencies. i.e FAM Transfers.

#### **IMPLEMENTING CHALLENGES.**

- Lack of PMCs information hence hindering the efficient and effective implementation of projects.
- Disbursement of funds from the board is not timely thus affecting the completion rate.



**RECOMMENDATIONS AND WAY FORWARD.**

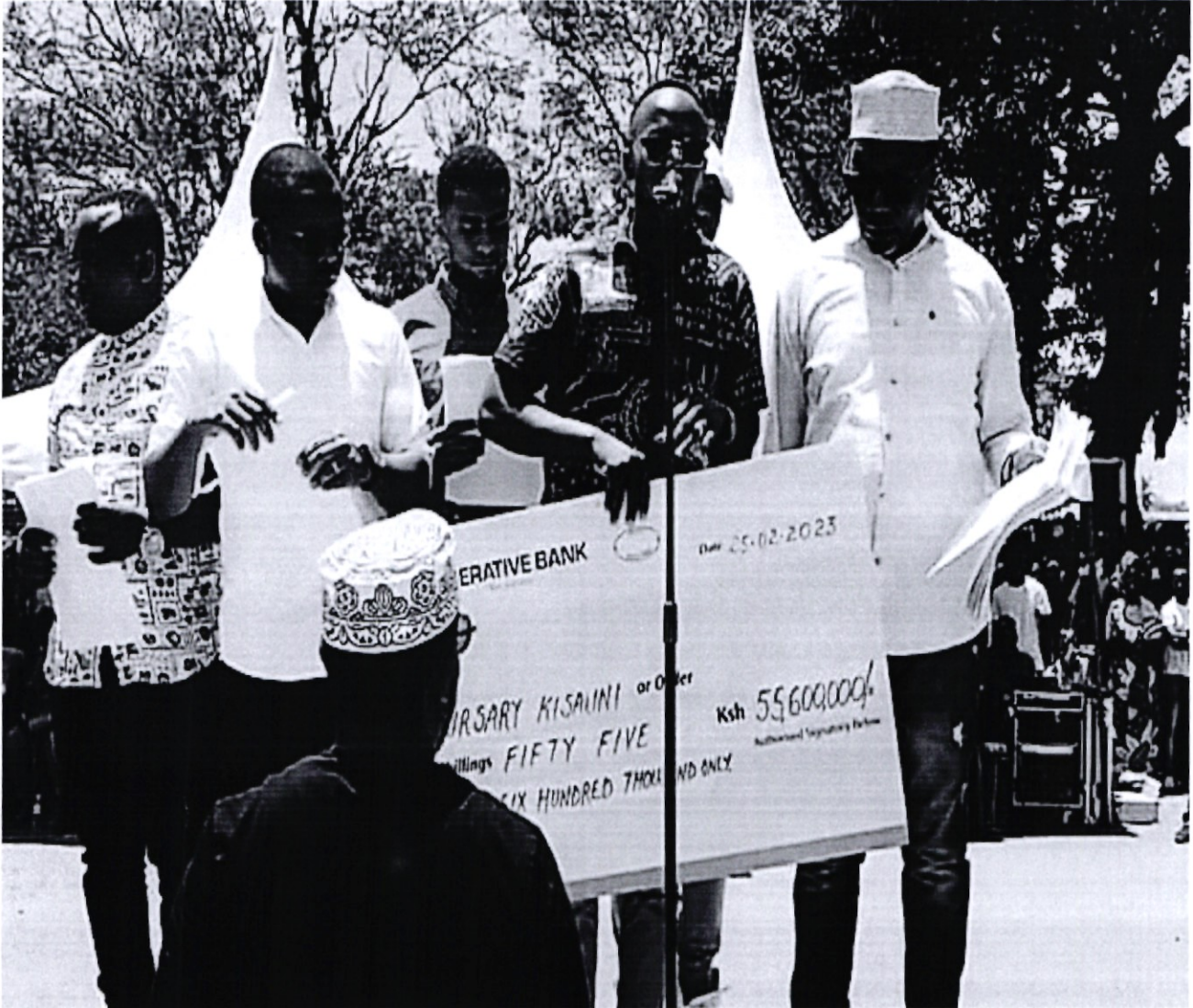
- Frequent and adequate training of PMCs.
- Timely disbursement of the constituency allocations from board.

**1 SPORTS**





2. BURSARY ISSUANCE



  
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Name: Allan Owano  
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 **Kisauni Constituency** 2022-2027 plan are to:

<b>Strategic Theme</b>	<b>Strategic Objective</b>	<b>Strategies/Activities</b>
Access to quality education	To improve access to quality education	Expansion of schools through rehabilitation/ renovation/construction of classrooms in various primary and secondary schools in the constituency
		Construction and equipping of Technical Training Institutes and support existing ones
		Construction of new primary schools
		Construction of new secondary schools
		Provision of access roads to education facilities
		Purchase of land for education facilities expansion/Registration of schools
		Construction/rehabilitation/equipping of laboratories in secondary schools in the constituency
		Supply of desks/lockers to schools (50 desks per school)
		Levelling of school field
		Rehabilitation/Renovation/Construction of multipurpose halls in schools
		Rehabilitation/Renovation/Construction of libraries in secondary schools
		Rehabilitation/Renovation/Construction of dormitories in secondary schools
		Rehabilitation/Renovation/Construction of toilet blocks in both primary and secondary schools
		Construction of staff houses
		Connecting education facilities to electricity
		Provision of bursary to needy and bright secondary school/tertiary institutions' students
		Construction of administration Block
		Provision of water harvesting structures
		Fencing education facilities
Hold education days		
Youth and Sports	To empower the youth and harness their talent	Conducting campaigns (on Drugs and substance abuse, HIV and AIDS, establishment of youth groups - accessing devolved funds and joining technical institutes)



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

Strategic Theme	Strategic Objective	Strategies/Activities
		Funding of youth sporting initiatives
Emergency Support	To cater for any unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency
Environment	To promote environmental sustainability	Provision of tree seedlings to schools
Security	To enhance security in the constituency	Rehabilitation/ Renovation/Construction of chief's, Ass. Chiefs and Commissioners' offices Construction/rehabilitation of Police Stations/AP Offices and police/AP houses
Tracking of results	To improve tracking of implementation NG-CDF programmes	Capacity Building of NG-CDF's and PMC's Develop and implement an M&E reporting template Organizing regular projects monitoring field visits
Institutional Strengthening	To promote performance management and smooth running of the NG-CDF office	Purchase of working tools and equipment Review of strategic plan Landscaping and beautification of the NG-CDF office Organize bonding sessions for staff and constituency office

**Progress on attainment of Strategic development objectives**

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

CONSTITUENCY PROGRAMME	OBJECTIVES	OUTCOME	INDICATOR	PERFORMANCE
EDUCATION	1. To pay bursary for 20,000 students within the 5 years in the constituency.	20,000 students	4,000 students	We have paid bursaries for various students within the constituency.
	2. To build 200 classrooms within 5 years in the seven wards.	200 classrooms	40 classrooms	We have built 6 classrooms in one ward.

SECURITY	1. To install 1000 solar mast security lights in the 7 wards within the 5 years	1000 solar mast security lights.	200 solar mast security lights	1. We have installed solar mast lights within the wards thus junda and shanzu ward
ENVIRONMENT	1. To plant 500 trees in different schools within Kisauni constituency for 5 years.	500 trees	100 trees	We have planted 40 trees in 2 schools within the constituency .
SPORTS	1. To purchase 5000 sports kits for different teams within Kisauni within the 5 years.	5000 sports kits	1000 sports kits	We have Purchased sports kit to various teams within Kisauni constituency.



## 5 Governance Statement.

### **Appointment and Removal of National Government Constituency Development Fund Committee Members.**

The national government official responsible for co-ordination of national government functions;

- (a) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- (b) two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;
- (c) one persons with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
- (d) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
- (e) the officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
- (f) one member co-opted by the Board in accordance with Regulations made by the Board.

The names of the persons selected shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.

The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

The quorum of the Constituency Committee shall be one half of the total membership.

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

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

### **Number of Meetings and Sub - Committee Meetings**

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



year, including sub-committee meetings. So far Ng cdf meetings held were 18 which include 4 sub – committee meetings.

**A member of the Constituency Committee may be removed from office on any one or more of the following grounds:**

1. lack of integrity;
2. gross misconduct;
3. embezzlement of public funds;
4. bringing the committee in to disrepute through unbecoming personal public conduct;
5. promoting unethical practises;
6. causing disharmony within the committee;
7. Physical or mental infirmity.

A decision to remove a member shall be made through a resolution of at least five members of the Committee and the members ought to be removed shall be given a fair hearing before the resolution is made.

**Induction and Training of Members**

Induction for the Members was done at Sai rock Hotel by the NG CDF Board in march 2023 and training was done at sai rock in April 2023 by the ng cdf office.

**Dissolution of Constituency Committee**

A person may present a petition to the Board for the dissolution of a Constituency Committee setting out the alleged facts constituting any one or more of the following grounds for dissolution—

- (a) Serious violation of the Constitution or any other law including a contravention of Chapter Six;
- (b) Gross misconduct, whether in performance of the member's or office holder's functions or otherwise;
- (c) incompetence;
- (d) bankruptcy; or
- (e) any other cause as may be deemed justifiable.

**Conflict of Interest**

The NG CDF Kisauni has laid a policy where when a meeting is held, the members sign to show that they will not be involved or have personal interests over the activities done by the office.

## **6 Environmental and Sustainability Reporting**

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

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



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

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

## **2. Environmental performance**

- NG CDF Kisauni have planted trees in various schools within the constituency hence assist in prevention of soil erosion in the society.
- NG CDF Kisauni have built chiefs offices in different wards within the constituency which helps in curbing insecurities within the areas.
- NG-CDF Kisauni has organised sports activities and purchased sports kits to various teams within Kisauni constituency, this has prevented idleness among the youths hence preventing use of drugs.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Kisauni 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. Kisauni 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-**

Kisauni 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-**

Kisauni 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.

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



.....  
**Name: Monica Mwai**

**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-Kisauni 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-Kisauni 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- Kisauni 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 Kisauni 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- Kisauni Constituency financial statements were approved and signed by the Accounting Officer on 19<sup>th</sup> March 2024.

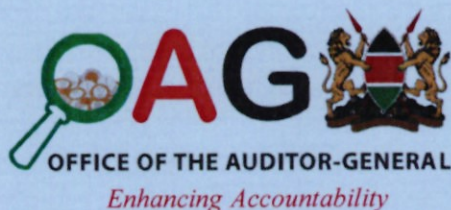
.....  
**Name: Allan Owano**  
**Chairman – NGCDF Committee**

  
.....  
**Name: Monica Mwai**  
**Fund Account Manager**



# REPUBLIC OF KENYA

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## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KISAUNI 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 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kisauni Constituency set out on pages 1 to 37, which comprise the statement of assets and liabilities as at 30 June, 2023, statement of receipts

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



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

### **Basis for Qualified Opinion**

#### **Irregular Reallocation of Emergency Project Funds**

The statement of receipts and payments and as disclosed in Note 8 reflects other grants and transfers amount of Kshs.62,067,859. This amount includes an amount of Kshs.9,397,278 in respect of security projects out of which an amount of Kshs.2,097,278 was spent on Bamburi Chief's office project. However, Bamburi chief's office project was not an emergency project and therefore the expenditure was irregular. Further, certificates of completion were not provided for audit. Physical verification conducted on the project on 11 March, 2024 showed that the project was complete and in use.

In the circumstances, the regularity of the expenditure of Kshs.2,097,278 from the emergency fund 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 - Kisauni Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of Matter**

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

The summary statement of appropriation reflects final receipts budget and actual amounts on comparable basis of Kshs.216,645,987 and Kshs.135,724,363 respectively, resulting to an under-funding of Kshs.80,921,624, or 37% of the budget. Similarly, the Fund expended Kshs.99,553,369 against actual receipts of Kshs.135,724,363, resulting to an under-utilization of Kshs.36,170,994 or 27% of the actual receipts.



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

My report is not modified in respect of these matters.

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on financial statements, report on Lawfulness and Effectiveness in Use of public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues or given any explanation for failure to implement the recommendations.

### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Transfers to Other Government Units**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other Government Units an amount of Kshs.25,604,948, which comprise transfers to primary schools of Kshs.14,090,098 and secondary schools of Kshs.11,514,850. However, the following anomalies were noted:

##### **1.1 Storey Building at Barani Primary School**

Included in transfers to primary schools of Kshs.14,090,098 is an amount of Kshs.7,292,000 for construction of six (6) classrooms with a rump inclusive of 4 door flush-able toilets with two catering for persons with disabilities (PWD) as per NGCDF Committee approval. Although the construction was complete, the two (2) toilets costing Kshs.184,300 did not factor in the requirements of PWD as stipulated in the Bill of Quantities.



## **1.2 Construction of Pit Latrine at Kashani Primary School**

Included in transfers to primary schools of Kshs.14,090,098 is an amount of Kshs.427,289 for construction of 4 door pit latrine and 2 door toilets for persons with disabilities to completion. The two (2) PWD toilets were to be fitted with PWD accessories and ramps as per the Bills of Quantities. The amount also included construction of urinal at Kashani Primary School as per the NG-CDF approved reallocation. Further, physical verification carried out on 11 March, 2024 revealed that the projects were completed but the two (2) PWD toilets costing Kshs.133,750 did not have a ramp as per the requirements of PWD and as provided for in the bill of quantities. In addition, the projects were not branded and therefore difficult to establish who funded the project and when.

## **1.3 Purchase of Lockers and Chairs for Karisa Maitha Boys Secondary School**

The Fund transferred Kshs.527,000 from the emergency projects to Karisa Maitha Boys Secondary School for purchase of sixty-two (62) lockers and chairs as per the approved reallocation and NG-CDF board minute. However, it was observed that the supplied items were kept in an incomplete and unsecured building located in a deserted place with no security. Further, there is no value for money as there are no students learning at the place.

## **1.4 Additional funds for Construction in Mwembelegeza Secondary School**

Included in the transfers to secondary schools is an amount of Kshs.216,000 being additional funds for construction of 6- door flushable toilets, urinals, sock pit, septic tank, piping borehole and purchase of a 3000-litre tank as per the approved reallocation. According to the code-list presented, the budgeted cost was Kshs.108,000 for the completion of the project but the Project overspent by Kshs.108,000. No explanation was provided on how the extra amounts were sourced and no approval for the extra cost was provided for audit.

In the circumstances, the regularity and value for money transferred to primary and secondary schools of Kshs.25,604,948 could not be confirmed.

## **3. Un-Returned PMC Bank Account Balances**

Annex 5 of the financial statements reflect PMC bank balances of Kshs.26,178,391 as at 30 June, 2023 (2022: Kshs.35,667,391). Included in this amount, are Project Management Committees bank account balances of Kshs.3,255,015 in respect of completed projects, which had not been returned to the main Constituency Account as at 30 June, 2023, contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which requires that 'all unutilized funds of the Project Management Committee shall be returned to the Constituency account'.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the

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



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 section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **Lack of Asset Ownership Documents**

Annex 4 on summary of fixed asset register reflects assets balance of Kshs.18,525,155 as at 30 June, 2023. However, analysis of the summary of fixed assets register revealed a motor cycle and land value at Kshs.17,000,000 whose ownership documents were not provided for audit review.

In the circumstances, the existence of an effective mechanism to safeguard lands 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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



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

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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


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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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**

**21 May, 2024**

**Kisauni 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 30<sup>th</sup> June 2023**

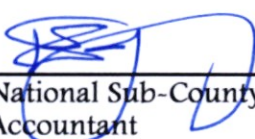
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	90,000,000	170,518,879
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	6,956,155
<b>Total Receipts</b>		<b>90,000,000</b>	<b>177,475,034</b>
<b>Payments</b>			
Compensation Of Employees	4	4,669,019	3,797,281
Committee expenses	5	1,600,000	3,699,000
Use Of Goods and Services	6	4,644,543	5,764,721
Transfers To Other Government Units	7	25,604,948	107,507,780
Other Grants and Transfers	8	62,067,859	62,673,567
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	967,000	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>99,553,369</b>	<b>183,442,349</b>
<b>Surplus/(Deficit)</b>		<b>(9,553,369)</b>	<b>(5,967,315)</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 19<sup>th</sup> March 2024.

and signed by:

  
 Fund Account Manager

  
 National Sub-County  
 Accountant

  
 Chairman NG-CDF  
 Committee

Name: Monica Mwai

Name: Edwin Indase  
 ICPAK M/No: 20457

Name: Allan Owano



**Kisauni 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 30<sup>th</sup> June, 2023

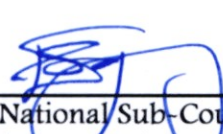
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	36,115,704	45,724,363
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>36,115,704</b>	<b>45,724,363</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>36,115,704</b>	<b>45,724,363</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>36,115,704</b>	<b>45,724,363</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	45,724,363	51,691,678
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		(9,553,369)	(5,967,315)
<b>Net Financial Position</b>		<b>36,170,994</b>	<b>45,724,363</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 19th March 2024 and signed by:

  
 Fund Account Manager

Name: Monica Mwai

  
 National/Sub-County  
 Accountant

Name: Edwin Indase  
 ICPAK M/No: 20457

  
 Chairman NG-CDF  
 Committee

Name: Allan Owano

**Kisauni 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 30<sup>th</sup> June 2023**

	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	90,000,000	170,518,879
Other Receipts	3	-	6,956,155
<b>Total Receipts</b>		<b>90,000,000</b>	<b>177,475,034</b>
<b>Payments</b>			
Compensation Of Employees	4	4,669,019	3,797,281
Committee Expenses	5	1,600,000	3,699,000
Use Of Goods and Services	6	4,644,543	5,764,721
Transfers To Other Government Units	7	25,604,948	107,507,780
Other Grants and Transfers	8	62,067,859	62,673,567
Oversight Committee Expenses	10	967,000	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>99,553,369</b>	<b>183,442,349</b>
<b>Total Receipts Less Total Payments</b>			
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>(9,553,369)</b>	<b>(5,967,315)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase In Cash And Cash Equivalent</b>		<b>(9,553,369)</b>	<b>(5,967,315)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	12	<b>45,724,363</b>	<b>51,691,678</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	12	<b>36,170,994</b>	<b>45,724,363</b>



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

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

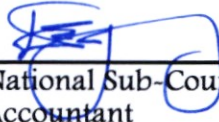
The Constituency financial statements were approved by NG CDFC on 19th March 2024 and signed by:



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Fund Account Manager

Name: Monica Mwai



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National Sub-County  
Accountant

Name: Edwin Indase  
ICPAK M/No: 20457



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Chairman NG-CDF  
Committee

Name: Allan Owano

*Kisauni 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

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	158,832,745	45,724,363	12,088,879	216,645,987	135,724,363	80,921,624	
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	
<b>TOTAL RECEIPTS</b>	<b>158,832,745</b>	<b>45,724,363</b>	<b>12,088,879</b>	<b>216,645,987</b>	<b>135,724,363</b>	<b>80,921,624</b>	<b>62.6%</b>
PAYMENTS							
Compensation of Employees	5,544,319	682,890	-	6,227,209	4,669,019	1,558,190	75.0%
Committee expenses	1,992,000	-	-	1,992,000	1,600,000	392,000	80.3%
Use of goods and services	6,758,627	3,202,007	-	9,960,634	4,644,543	5,316,091	46.6%
Transfers to Other Government Units	55,958,654	26,693,789	12,088,879	94,741,322	25,604,948	69,136,374	27.0%
Other grants and transfers	83,990,818	11,335,018	-	95,325,836	62,067,859	33,257,977	65.1%
Acquisition of Assets	-	-	-	-	-	-	
Oversight Committee Expenses	1,588,327	-	-	1,588,327	967,000	621,327	60.9%
Other Payments	3,000,000	31,393	-	3,031,393	-	3,031,393	0.0%
Funds Pending Approval	-	3,779,266	-	3,779,266	-	3,779,266	100.0%
<b>TOTAL</b>	<b>158,832,745</b>	<b>45,724,363</b>	<b>12,088,879</b>	<b>216,645,987</b>	<b>99,553,369</b>	<b>117,092,618</b>	<b>46.0%</b>

\* Amount of Kshs 117,092,618.00 is composed of cash book balance of Kshs.36,170,994 as at 1<sup>st</sup> July 2023 and amount of Kshs. 12,088,879 balance owing to board by the constituency for financial year 2020/2021 and Kshs. 68,832,745 balance owing to board by the constituency for financial year 2022/2023 as at 1<sup>st</sup> July 2023.



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

<b>ITEM</b>	<b>% OF UTILIZATION</b>	<b>COMMENT</b>
Transfers from NGCDF Board	62.6%	Delay in release of funds from NG - CDF Board
Compensation of Employees	75.0%	Delay in release of funds from NG - CDF Board
Committee Expense	80.3%	Delay in release of funds from NG - CDF Board
Use of goods and services	46.6%	Delay in release of funds from NG - CDF Board
Transfers to Other Government Units	27.0%	Delay in release of funds from NG - CDF Board
Other grants and transfers	65.1%	Delay in release of funds from NG - CDF Board
Oversight Committee Expenses	60.9%	Delay in release of funds from NG - CDF Board

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	117,092,618
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	(80,921,624)
	36,170,994
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	36,170,994

The Constituency financial statements were approved by NG CDFC on 19th March 2024 and signed by:

  
 Fund Account Manager

Name: monica mwai

  
 National Sub-County Accountant

Name: Edwin ozige  
 ICPAK M/No: 20457

  
 Chairman NG-CDF Committee

Name: Allan Owano

**Kisauni 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)	% of Utilisation (f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	5,544,319	682,889.98	-	6,227,209	4,669,019	1,558,190	
1.2 Committee allowances	1,128,000	-	-	1,128,000	770,000	358,000	
1.3 Use of goods and services	2,857,645	3,202,007.37		6,059,652	3,076,043	2,983,609	
<b>Total</b>	<b>9,529,964</b>	<b>3,884,897</b>	<b>-</b>	<b>13,414,861</b>	<b>8,515,062</b>	<b>4,899,799</b>	
2.0 Monitoring and evaluation						-	
2.1 Capacity building	3,900,982	-	-	3,900,982	1,568,500	2,332,482	
2.2 Committee allowances	864,000.00	-	-	864,000	830,000	34,000	
<b>Total</b>	<b>4,764,982</b>		<b>-</b>	<b>4,764,982</b>	<b>2,398,500</b>	<b>2,366,482</b>	
3.0 Emergency							
3.5 Unutilised	7,636,190	1,151,759	-	8,787,949	40,831	8,747,118	
<b>Total</b>	<b>7,636,190</b>	<b>1,151,759</b>	<b>-</b>	<b>8,787,949</b>	<b>40,831</b>	<b>8,747,118</b>	
				-			



**Kisumu 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)	Previous years Outstanding Disbursements	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AJA		2022-2023	6/30/2023		
<b>4.0 Bursary and Social Security</b>							
4.1 Secondary Schools	42,076,894	7,483,715	-	49,560,609	49,351,000	209,609	
4.2 Tertiary Institutions	1,515,734	34,266	-	1,550,000	-	1,550,000	
4.3 Social Security	4,044,000	264,000	-	4,308,000	-	4,308,000	
4.4 Special Needs	-	300,000	-	300,000	298,000	2,000	
<b>Total</b>	<b>47,636,628</b>	<b>8,081,981</b>	<b>-</b>	<b>55,718,609</b>	<b>49,649,000</b>	<b>6,069,609</b>	
5.0 Sports	3,000,000	4,000.00	-	3,004,000	2,950,000	54,000	
5.1	-	-	-	-	-	-	
<b>Total</b>	<b>3,000,000</b>	<b>4,000</b>		<b>3,004,000</b>	<b>2,950,000</b>	<b>54,000</b>	
<b>6.0 Environment</b>							
Mwakirunge Primary School	284,000.00	-	-	284,000	-	284,000	
Mtopanga Primary School	284,000.00	-	-	284,000	-	284,000	
<b>Total</b>	<b>568,000</b>	<b>-</b>	<b>-</b>	<b>568,000</b>	<b>-</b>	<b>568,000</b>	
<b>7.0 Primary Schools Projects</b>							
Magogoni primary School	3,000,000.00	1,088,841	12,088,879	16,177,720	-	16,177,720	
Bedzimba Primary School	608,654.00	-	-	608,654	-	608,654	
barani primary school	-	13,662,809	-	13,662,809	13662809	-	

**Kisauni 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)	% of Utilisation (f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023		
kashani primary school	-	427,289	-	427,289	427,289	-	
<b>Total</b>	<b>3,608,654</b>	<b>15,178,939</b>	<b>12,088,879</b>	<b>30,876,472</b>	<b>14,090,098</b>	<b>16,786,374</b>	
<b>8.0 Secondary Schools Projects</b>						-	
Mjambere Secondary School	40,000,000.00	10,000,000.00	-	50,000,000	10,000,000.00	40,000,000	
Mjambere Secondary School	7,350,000.00	-	-	7,350,000	-	7,350,000	
Mjambere Secondary School	5,000,000.00	-	-	5,000,000	-	5,000,000	
concordia secondary school		771,850.00	-	771,850	771850	-	
mwembelegeza sec school		216,000.00		216,000	216000	-	
karisa maitha sec school		527,000.00		527,000	527000	-	
<b>Total</b>	<b>52,350,000</b>	<b>11,514,850</b>	<b>-</b>	<b>63,864,850</b>	<b>11,514,850</b>	<b>52,350,000</b>	
<b>9.0 Tertiary institutions Projects</b>						-	
<b>Total</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>10.0 Security Projects</b>						-	
Mjambere police station	150,000.00	-	-	150,000	-	150,000	
Bedzimba Primary School to Manyani	4,569,600.00	-	-	4,569,600	4,569,600	-	



**Kisauni Constituency**  
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023		
Centre							
Bedzimba Primary School to Bengla Centre	4,569,600.00	-	-	4,569,600	-	4,569,600	
Bedzimba Primary School to Machafuko Centre	4,838,400.00	-	-	4,838,400	-	4,838,400	
Hassan Joho Girls School to Zawadi Area	4,032,000.00	-	-	4,032,000	-	4,032,000	
Utange Primary School	2,958,400.00	-	-	2,958,400	2,730,400	228,000	
Hassan Joho Girls School to Zawadi Area	4,032,000.00	-	-	4,032,000	-	4,032,000	
bamburi chiefs office	-	2,097,278		2,097,278	2,097,278	-	
<b>Total</b>	<b>25,150,000</b>	<b>2,097,278</b>	<b>-</b>	<b>27,247,278</b>	<b>9,397,278</b>	<b>17,850,000</b>	
11.0 Acquisition of assets				-		-	
Acquisition of assets	-			-		-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	
				-		-	

**Kisauni 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)	% of Utilisation(f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023		
<b>12.0 Oversight Committee Expenses (itemize)</b>							
Constituency Oversight committee allowance	150,000.00	-	-	150,000	150,000	-	
Other committee expenses	900,000.00	-	-	900,000	617,000	283,000	
Hire of Transport	180,000.00	-	-	180,000	180,000	-	
Catering Services (receptions), Accommodation, Gifts, Food and Drinks	48,327.00	-	-	48,327	20,000	28,327	
Accommodation Allowance	280,000.00	-	-	280,000	-	280,000	
General Office Supplies (papers, pencils, forms, small office equipment etc)	30,000.00	-	-	30,000	-	30,000	
<b>Total</b>	<b>1,588,327</b>		<b>-</b>	<b>1,588,327</b>	<b>967,000</b>	<b>621,327</b>	
<b>13.0 Other payments</b>				<b>-</b>		<b>-</b>	
Education office	-	31,393.00	-	31,393.00	30,750	643.00	
Kisauni NG-CDF strategic plan	3,000,000	-	-	3,000,000.00	-	3,000,000.00	
<b>Total</b>	<b>3,000,000</b>	<b>31,393</b>	<b>-</b>	<b>3,031,393</b>	<b>30,750</b>	<b>3,000,643</b>	



**Kisauni 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)	% of Utilisation(f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	6/30/2023		
14.0 unallocated fund							
Unapproved projects	-	2,271,073.95	-	2,271,074	-	2,271,074	
AIA	-	69,000.00	-	69,000	-	69,000	
Roads	-	1,439,192.00	-	1,439,192	-	1,439,192	
PMC savings	-		-		-	-	
Total		3,779,266	-	3,779,266	-	3,779,266	
	158,832,745	43,627,085	12,088,879	212,866,721	99,553,369	117,092,618	

(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-Kisauni Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

### **3. Reporting Currency**

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

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

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

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

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



***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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



*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 8<sup>th</sup> June 2023 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.

15 Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO. B 104727		33,000,000
AIE NO. B 105474		44,000,000
AIE NO. B 105819		22,000,000
AIE NO. B 128562		5,000,000
AIE NO. B 128874		12,000,000
AIE NO. B 154072		12,000,000
AIE NO. B 164417		19,088,879
AIE NO. B 155915		13,000,000
AIE NO. B 895066		430,000
AIE NO. B 888542		10,000,000
AIE NO. B 185119	7,000,000	
AIE NO. B 185659	15,000,000	
AIE NO. B 185529	6,000,000	
AIE NO. B 206153	5,000,000	
AIE NO. B 206419	12,000,000	
AIE NO. B 205791	12,000,000	
AIE NO. B 207813	16,000,000	
AIE NO. B 207653	17,000,000	
<b>TOTAL</b>	<b>90,000,000</b>	<b>170,518,879</b>

2. Proceeds From Sale of Assets

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



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

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**3. Other Receipts**

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

**Kisauni Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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*Notes To the Financial Statements (Continued)*

4. Compensation of Employees

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,773,800	3,139,870
Personal allowances paid as part of salary		
House Allowance	784,160	-
Transport Allowance	532,000	-
Leave allowance	20,000	-
Gratuity to contractual employees	497,619	622,611
Employer Contributions Compulsory national social security schemes	61,440	34,800
<b>Total</b>	<b>4,669,019</b>	<b>3,797,281</b>

5. Committee Expenses

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Sitting allowance	770,000	950,000
Other committee expenses	830,000	2,749,000
<b>Total</b>	<b>1,600,000</b>	<b>3,699,000</b>



***Kisauni Constituency  
National Government Constituencies Development Fund (NGCDF)  
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6. Use of Goods and services

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Utilities, supplies and services	30,728	348,807
Communication, supplies and services	193,000	285,450
Domestic travel and subsistence	169,945	1,306,600
Printing, advertising and information supplies & services	309,000	174,365
Rentals of produced assets	352,000	348,000
Training expenses	1,568,500	1,191,000
Hospitality supplies and services	72,380	619,700
Office and general supplies and services	449,004	1,406,799
Other operating expenses	-	15,000
Bank Charges	155,736	69,000
Routine maintenance- other assets	1,344,250	-
<b>Total</b>	<b>4,644,543</b>	<b>5,764,721</b>

*Notes To The Financial Statements (Continued)*

## 7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	14,090,098	65,605,500
Transfers To Secondary Schools (See Attached List)	11,514,850	41,902,280
Transfers To Tertiary Institutions (See Attached List)	-	-
<b>Total</b>	<b>25,604,948</b>	<b>107,507,780</b>

## 8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	49,351,000	36,960,000
Bursary – tertiary institutions (see attached list)	-	9,780,000
Bursary – special schools (see attached list)	298,000	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	3,936,000
Security projects (see attached list)	9,397,278	8,484,000
Sports projects (see attached list)	2,950,000	1,596,000
Environment projects (see attached list)	-	741,777
Emergency projects (see attached list)	71,581	1,175,790
Roads projects (see attached list)	-	-
<b>Total</b>	<b>62,067,859</b>	<b>62,673,567</b>



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

**9. Acquisition Of Assets**

	<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 and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**10. Oversight Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Members Allowance	617,000	-
Other COC Members expenses	350,000	-
<b>Total</b>	<b>967,000</b>	<b>-</b>

**11. Other Payments**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	-	-
ICT Hub	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Kisauni Constituency**  
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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Family bank Nkrumah branch</i>	33,000,000	-
<i>cooperative bank kengeleni</i>	3,170,994	45,724,363
	-	-
<b>Total</b>	<b>36,170,994</b>	<b>45,724,363</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>	-	-

13. Outstanding Imprests

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

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



**Kisauni Constituency**  
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*Notes to the Financial Statement Continued*

14. Retention and Gratuity

	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	-	-

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

15. Fund Balance B/F

	(1 <sup>st</sup> July 2022)	(1 <sup>st</sup> July 2021)
	Kshs	Kshs
Bank accounts	45,724,363	51,691,678
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	45,724,363	51,691,678

*[Provide short appropriate explanations as necessary]*

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

16. Prior Year Adjustments

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

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

17. Changes In Accounts Receivable – Outstanding Imprests

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

18. Changes In Accounts Payable – Deposits and Retentions

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



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

**19. Other Important Disclosures**

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

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

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

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

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

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Compensation of employees	1,558,190	682,890
Use of goods and services	5,708,091	3,202,007
Amounts due to other Government entities (see attached list)	69,136,374	8,279,850
Amounts due to other grants and other transfers (see attached list)	33,257,977	31,837,836
Acquisition of assets	-	10,000,000
Oversight Committee Expenses	621,327	-
Other - roads	-	1,439,192
Other Payments- strategic plan	3,000,643	69,000
Funds pending approval	3,779,266	2,271,074
<b>Total</b>	<b>117,092,618</b>	<b>57,781,849</b>

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18.4: PMC account balances (See Annex 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	26,178,391	35,667,391
Total	<b>26,178,391</b>	<b>35,667,391</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	
<b>Construction of buildings</b>	-				
1.	-				
2.	-				
3.	-				
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
Sub-Total					
<b>Grand Total</b>					

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				



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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	
		2022/23	2021/22
Compensation of employees	-	1,558,190	682,890
Use of goods & services	-	3,375,609	3,202,007
2.1 Capacity building	-	2,332,482	-
<b>Sub-Total</b>		<b>7,266,281</b>	<b>3,884,897</b>
<b>Amounts due to other Government entities</b>			
7.1 Barani primary school	-	-	7,292,000
7.2 Magogoni Primary	-	16,177,720	-
7.3 Bedzimba Primary	-	608,654	-
8.2 Mjambere secondary school	-	52,350,000	-
8.3 Concordia secondary	-	-	771,850
8.4 Kashani secondary school	-	-	-
Mwembelegeza Secondary School	-	-	216,000
<b>Sub-Total</b>		<b>69,136,374</b>	<b>8,279,850</b>
<b>Amounts due to other grants and other transfers</b>			
Emergency	-	8,747,118	8,054,135
Sports	-	54,000	4,000
Bursaries secondary	-	209,609	333,715
Bursaries Tertiary	-		

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		1,550,000	5,484,266
Bursary Special School	-	2,000	2,000,000
Special security	-	4,308,000	264,000
<b>Environment</b>			
Mwakirunge Primary School		284,000	-
Mtopanga Primary School		284,000	-
<b>10.0 Security Projects</b>			
Mjambere police station		150,000	-
Bedzimba Primary School to Bengla Centre		4,569,600	-
Bedzimba Primary School to Machafuko Centre		4,838,400	-
Hassan Joho Girls School to Zawadi Area		4,032,000	-
Utange Primary School		228,000	-
Hassan Joho Girls School to Zawadi Area		4,032,000	-
Mjambere police station		-	15,697,720
Education office		-	31,393
<b>Sub-Total</b>		<b>33,288,727</b>	<b>31,869,289</b>
Acquisition of assets	-		10,000,000
<b>12.0 Oversight Committee Expenses (itemize)</b>			
Other committee expenses		283,000	-
Catering Services (receptions), Accommodation,			-



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Gifts, Food and Drinks		28,327	
Accommodation Allowance		-	-
		280,000	
General Office Supplies (papers, pencils, forms, small office equipment etc)		30,000	-
Sub-Total		621,327	-
13.0 Other payments			
Education office		643	-
Kisauni NG-CDF strategic plan		3,000,000	-
Appropriation in Aid		69,000	69,000
Roads		1,439,192	1,439,192
Other receipts			578,201
Funds pending approval		2,271,074	1,692,872
Sub-Total		6,779,909	3,779,265
Grand Total		117,092,618	57,813,241

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

<b>Asset class</b>	<b>Historical Cost b/f (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End</b>
Land	17,000,000	-	-	17,000,000
Buildings and structures	-	-	-	-
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	1,177,195	-	-	1,177,195
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	347,960	-	-	347,960
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>18,525,155</b>	<b>-</b>	<b>-</b>	<b>18,525,155</b>



*Kisauni Constituency**National Government Constituencies Development Fund (NGCDF)**Annual Report and Financial Statements for The Year Ended June 30, 2023***Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	BANK	ACCOUNT NO	BANK	BANK
			BALANCE	BALANCE
			2022/23	2021/22
CONCORDIA PRIMARY SCHOOL	KCB	1137249080	10,513.00	10,513.00
JUNDA DISPENSARY	KCB	1106506685	61,958.80	61,958.80
MJAMBERE /JUNDA DRAINAGE	KCB	1117174794	23,257.00	23,257.00
VORONI WATER TANKS	KCB	1131502116	35,939.55	35,939.55
BARAKA PRIMARY SCHOOL (VORONI)	CO-OPERATIVE	1141548845100	313,649.00	313,649.00
MAJAONI PRIMARY SCHOOL	CO-OPERATIVE	114157738000	87,163.65	87,163.65
MTOPANGA PRIMARY SCHOOL	CO-OPERATIVE	1141577380100	89.65	102,589.65
CONCORDIA PRIMARY SCHOOL	CO-OPERATIVE	1141548847800	14,491.00	14,491.00
KIEMBENI ESTATE PRIMARY SCHOOL	CO-OPERATIVE	1129577451400	412,168.90	416,128.90
CONCORDIA SECONDARY	CO-OPERATIVE	1141548844400	112,982.00	4,451,754.00
MAGOGONI PRIMARY SCHOOL	CO-OPERATIVE	1141548951100	539,333.00	3,217,419.00
MWEMBELEGEZA SECONDARY SCHOOL	CO-OPERATIVE	1141548913600	220,516.00	4,682,545.00
MARIMANI SECONDARY SCHOOL	CO-OPERATIVE	1129577451500	226,794.50	230,754.50
KASHANI SECONDARY	CO-OPERATIVE	1141548848200	633,361.00	633,361.00
MARIMANI PRIMARY SCHOOL	CO-OPERATIVE	1141548872700	14,196.00	14,196.00
HASSAN JOHO GIRLS SECONDARY SCHOOL	CO-OPERATIVE	1141548855500	901,921.00	954,921.00
MAUNGUJA PRIMARY SCHOOL	CO-OPERATIVE	1139044024802	1,683.75	1,683.75
BARANI PRIMARY SCHOOL	CO-OPERATIVE	1141548922200	120,015.00	19,897,149.00
MWAKIRUNGE SECONDARY SCHOOL	CO-OPERATIVE	1141548762100	14,406.00	14,406.00
SHIMO LA TEWA SECONDARY SCHOOL	EQUITY	1106507444	503,511.35	503,511.35
KARISA MAITHA BOYS HIGH SCHOOL	EQUITY	1140280200381	102,885.00	-
KASHANI PRIMARY SCHOOL NG CDF PMC	EQUITY	11402823005618	13,619.00	-
MTOPANGA MIXED SECONDARY SCHOOL	EQUITY	1140281331947	216,452.00	-
SHIMO LA TEWA PRIMARY SCHOOL NG CDF PMC	EQUITY	1140280899648	61,657.00	-
MWEMBELEGEZA PRIMARY SCHOOL OMC NG CDF	EQUITY	1140280226122	4,235,827.85	-
MJAMBERE SECONDARY SCHOOL NG CDF PMC	CONSOLIDATED	10081203000013	10,000,000.00	-
SECURITY MAST LIGHT PROJECTS NG CDF PMC	CONSOLIDATED	10081203000018	7,300,000.00	-
<b>TOTAL</b>			<b>26,178,391</b>	<b>35,667,391</b>



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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
MSA/NGCDF-KISAUNI/2021/2022(9)	The statement reflects bank balance in eleven closed project management committees totalling to Kshs. 939,890 that has not been refunded to the main account. This is contrary to section 12 (8) of NGCDF Act , 2015 which states that all unutilized funds of PMCS shall be transferred to the constituency account.	The management has been able to refund some of the funds and is still following up with the Deputy Count Commissioner on the others who can't be traced.	Resolved	REF; AOG/CR/AUD/8/15/2021/2022/(13) February 2023

  
 .....  
**MONICA MWAI**  
 Fund Account Manager.



