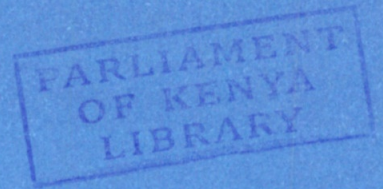


REPUBLIC OF KENYA




*Enhancing Accountability*

**REPORT**



**OF**

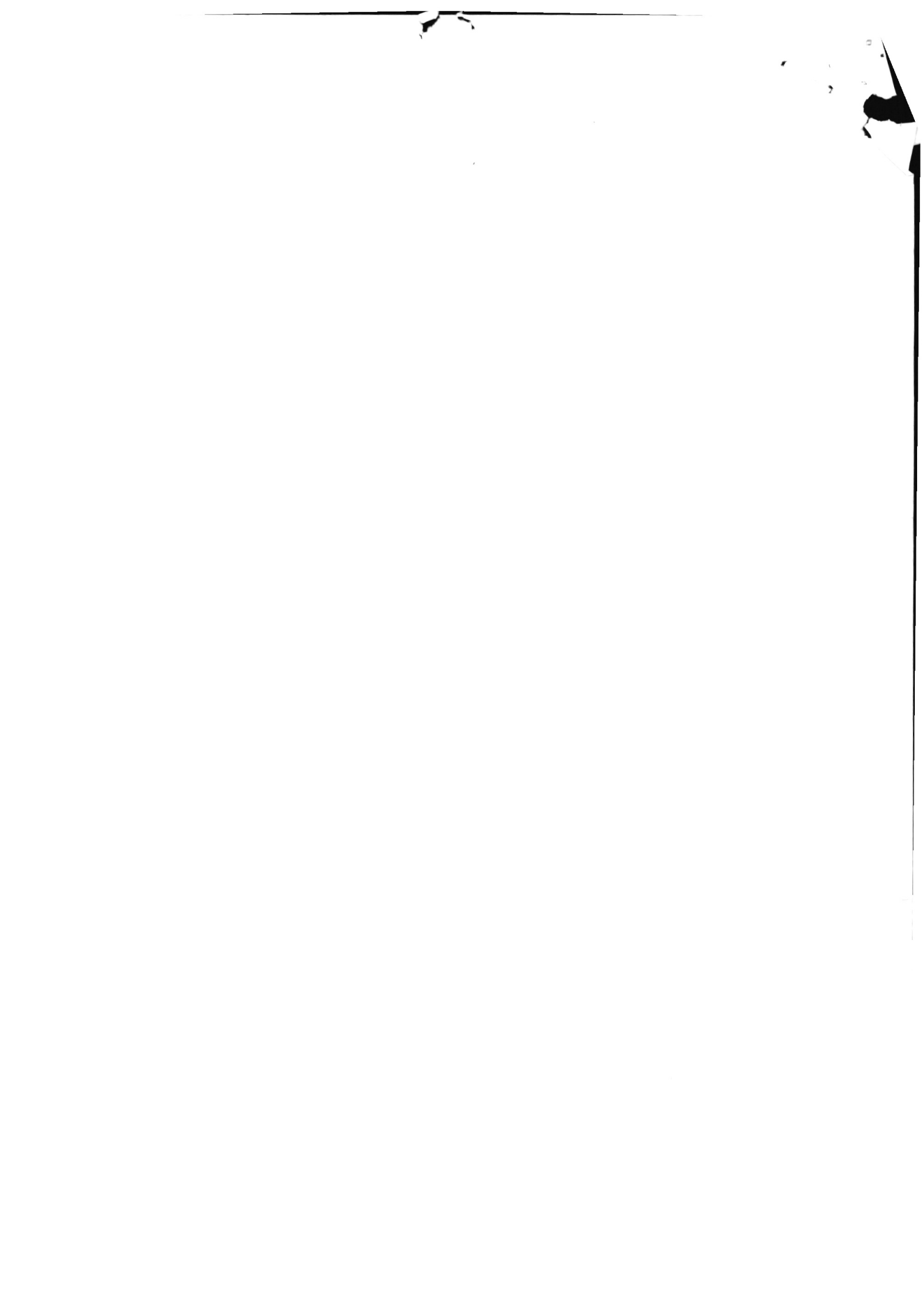
 <b>THE NATIONAL ASSEMBLY</b> PAPERS	
<b>DATE:</b> 24 SEP 2024	Tuesday
<b>TABLED BY:</b>	Hon. Owen Boxe (Deputy leader of the Majority Party)
<b>CLERK-AT THE TABLE:</b>	Arastacia

**THE AUDITOR-GENERAL**

**ON**

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

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





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**KIBRA CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**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)

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

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**I. Acronyms and Abbreviations**

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committees

FY-Financial Year

PWD-People Living with disabilities

## **II. 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;

## ***Kibra Constituency***

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

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

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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 Kibra 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)



**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	Mr. Jimnah Macharia
2.	Sub-County Accountant	Mr. Lucas Okech
3.	Chairman NGCDFC	Mrs. Hellen Ndunda
4.	Member NGCDFC	Ms. Everline Adhiambo

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 22033-00523  
Kibra DC's Compound  
Kibera Road  
Nairobi, KENYA

**(e) Kibra Constituency NGCDF Contacts**

Telephone: +254 722634375  
E-mail: [Kibracfd@ngcdf.go.ke](mailto:Kibracfd@ngcdf.go.ke)  
Website: [www.Kibrangcdf.go.ke](http://www.Kibrangcdf.go.ke)

**(f) Kibra Constituency NGCDF Bankers**

Equity Bank  
Kibra Branch  
Account No. 11702612223145  
P.O. Box 75104  
City Square 00200  
Nairobi, 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

### **III. NG-CDFC Chairman's Report**



**MRS. HELLEN NDUNDA  
CHAIRPERSON, KIBRA NGCDF**

I have the pleasure to present the Kibra –NGCDF annual report and financial statements for the financial year 2022/2023. The people of Kibra constituency are determined to participate effectively in domesticating objectives of vision the big 5 agendas in our development planning. The constituents now have power to implement the formulation and implementation of development programs in the constituency for the works within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with fairness, transparency, openness and accountability.

#### **Financial Year Budget**

In the financial year 2022/2023 the NG-CDF Kibra Constituency was allocated Kshs **145,087,603.00** and we have received the Kshs. 87,000,000 allocated for the financial year 2022/2023 and the utilization has gone well in which 46% of the funds allocated to projects has been utilized effectively as bellow.

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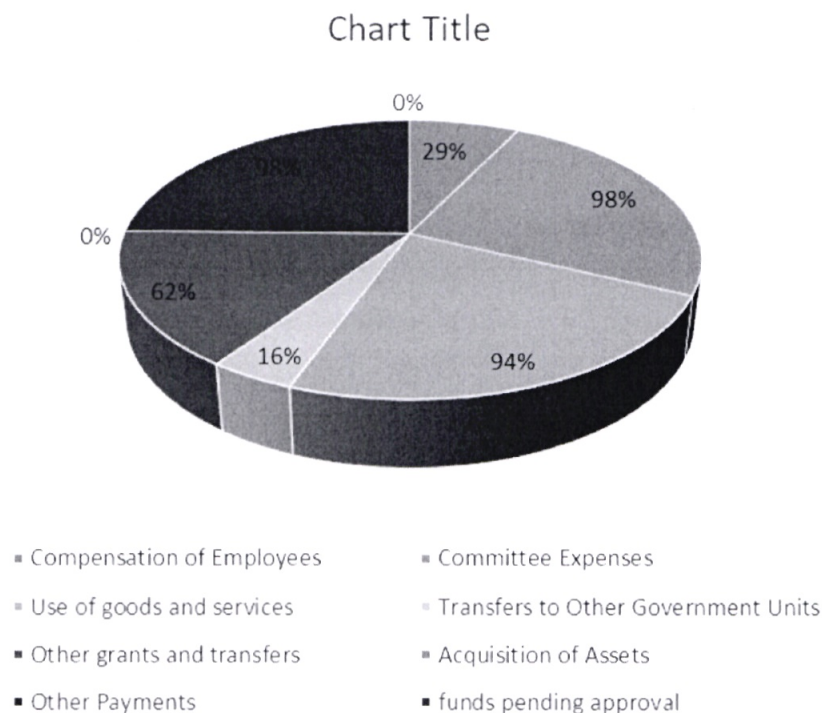
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**Table 1.0 summary of budget performance**

**KEY ACHIEVEMENTS**

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

Compensation of Employees	29%
Committee Expenses	98%
Use of goods and services	94%
Transfers to Other Government Units	16%
Other grants and transfers	62%
Acquisition of Assets	0%
Other Payments	98%
funds pending approval	0%



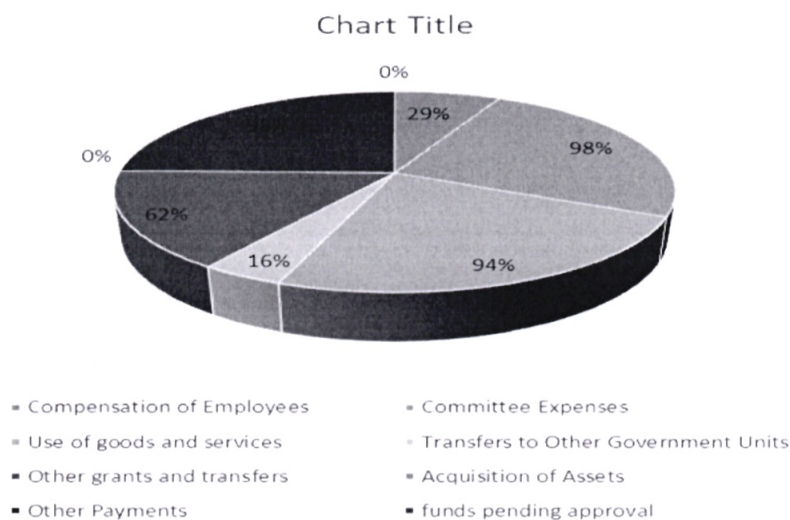
**FIG:1 Allocation of funds F/Y 2022/2023**

The budget performance against the actual amount for the current year are as follows:

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

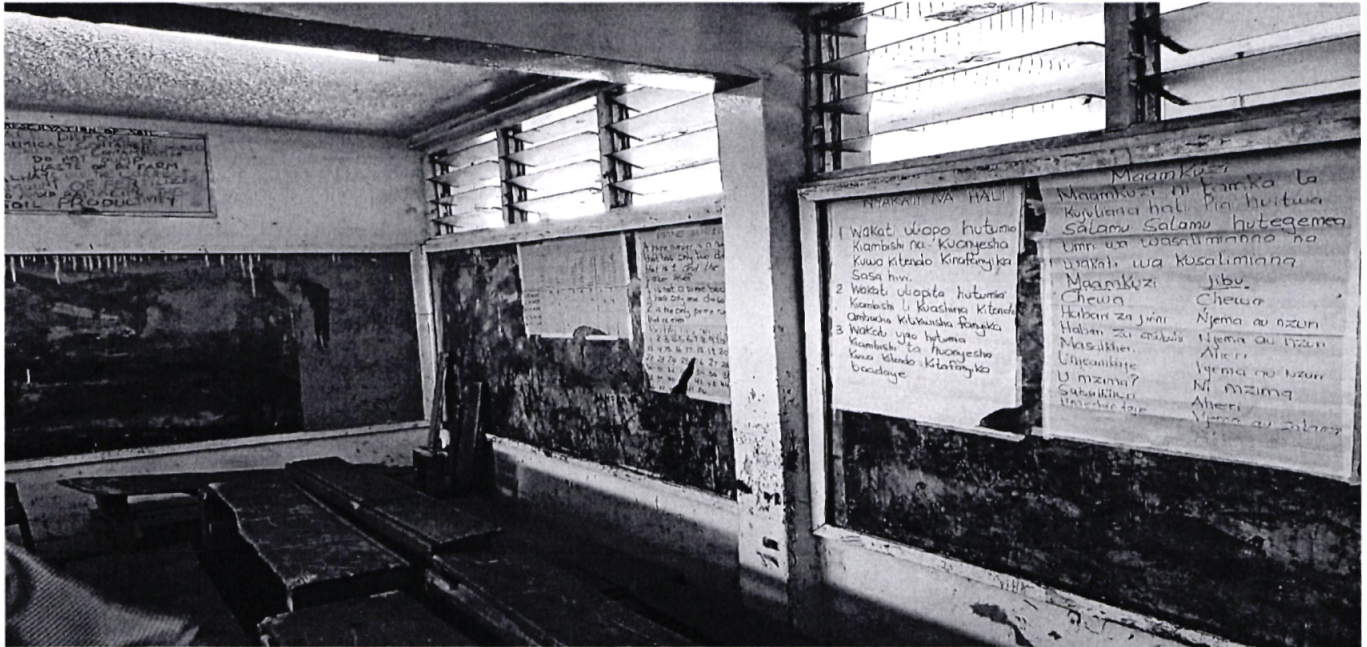
Receipt/Expense Item	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	Explanation
<b>PAYMENTS</b>				
Compensation of Employees	7,585,657	2,205,640	5,380,017	This utilization was because of late disbursement of funds from the board
Committee Expenses	5,161,310	5,037,240	38,760	There were high operations in the current year
Use of goods and services	5,921,420	5,809,476	197,254	There were high operations in the use of goods and services
Transfers to Other Government Units	57,546,553	10,500,000	47,482,553	Some of the project implementation was on going
Other grants and transfers	76,546,553	50,768,590	27,482,553	Emergency money had not been utilized and were to be reallocated
Acquisition of Assets	49,199	0.00	49,199	This is outstanding balance
Oversight Committee	500,000	170,000	330,000	Balances after use
Other Payments	3,979,027	3,900,000	79,027	There were high operations in the current year
funds pending approval	10,309,364	-	10,309,364	Awaiting approval by the board

The Budget Utilisation can be diagrammatically presented as follows:



**Fig 2: UTILIZATION OF FUNDS**

During the Financial year 2022/2023 the Kibra NG-CDF has been able to implement several projects as per seen below;



**FIG 3: OLYMPIC PRIMARY SCHOOL (BEFORE RENNOVATIONS)**



**OLYMPIC PRIMARY SCHOOL (AFTER RENNOVATIONS)**



**Fig 4: STRATEGIC PLAN STAKEHOLDERS MEETING**



**Fig 5: VOCATIONAL TRAINING**

Toi Technical and vocational training centre is located in Woodley ward. The storey building is a combination of administration block, lecture halls, workshop and laboratories. This is still under

construction awaiting to be completed. This project is pride of the Kibra constituency because a higher learning institution for the local community students will be available. The project is a clear indication of the milestones Kibra NGCDF is willing to take to achieve modern education facilities, reduce illiteracy, and promote the big 4 agenda.



**Fig6: BURSARY CHEQUE ISSUANCE TO THE BENEFICIARIES**

Kibra NGCDF is geared towards uplifting the education levels of students within the constituency. The issue of bursary cheques to students is a clear indication that Kibra NGCDF is focused on improving the literacy level of students within the constituency. This project is the pride of Kibra NGCDF because a higher number of students will benefit from education which will reduce illiteracy, and promote the big 4 agenda.



**Challenges and solutions**

- Main challenge that Kibra constituency faced was late funds disbursement that led to few projects being implemented and others stalled awaiting funding.
- There was also noted a challenge in the education sector since there are many needy students who need support through the bursary fund which is never enough; this is due to lower middle income economy status within the constituency.

The constituency has endeavored to give priority to the very needy students to enable them cater for their school fees.



.....

**Hellen Ndunda**

**CHAIRPERSON NGCDF COMMITTEE**

#### **IV. Statement of Performance Against Predetermined Objectives for FY2022/2023**

##### **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 **Kibra Constituency** 2023-2028 Strategic plan are to:

- i. To act as an overarching Constituency development framework for guiding socio-economic transformation between 2023 and 2028.
- ii. To provide a local framework for actualizing the achievement of the Big 4 agenda and the Kenya vision 2030.
- iii. To reduce inequality through equitable distribution of resources across the wards within the constituency.
- iv. To create a firm foundation for socio-economic transformation through education and security infrastructural development.
- v. To enhance local resource mobilization from other development partners and actors within and outside the constituency.
- vi. To Facilitate annual planning and budgeting for the identified projects that will spur development in the constituency, and facilitate annual review of plans and budgets to track progressing implementation and draw lessons for incorporation I n subsequent planning and budgeting.
- vii. To provide a framework for continuous monitoring and systematic evaluation of development projects.

##### **Vision**

Equitable Socio-economic development countrywide

##### **Mission**

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

##### **Core Values**

**Patriotism** – we uphold the national pride of all Kenyans through our work

**Participation of the people**- We involve citizens in making decisions about programmes we fund

**Timeliness** – we adhere to prompt delivery of service

**Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people

**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.

**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:

<b>sector</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2022/23 -we increased number of classrooms from 68 to 80 in primary schools. - Bursary beneficiaries at all levels were 10,000 students
Security	Kibra Constituency aims at achieving a crime free constituency. In the year 2022-2023 the	Security personnel are hosted closer to the residence of the constituency	Increased security and reduced crime rate.	Security Projects were not implemented due to delay in disbursement from the board.

***Kibra Constituency***

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

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	constituency allocated Ksh.10,309,364 to the security kitty to promote structure that will accommodate security personnel.			
Environment	Accessibility to a clean and conducive environment and drainage systems	Coming up with modern toilets to minimize environmental degradation	Increase in sustainable environmental practices	- Environment Projects were not implemented due to delay in disbursement from the board.
Sports	Promote drug free sports and recreation, establishing sports institution and engage the institutions and the youths in sporting activities	Reduction in crime rate especially within the youths and also having a good inter socializing environment amongst the schools due to the organized interschool tournaments	Having inter-base soccer and sports tournaments for the youths in the constituency Having interschool soccer tournaments for both the primary and secondary schools in Kibra	- Sports Projects were not implemented due to delay in disbursement from the board..
Emergency	Help the community and families know where to take refuge and how	Provision to support over 6,000 families affected by disaster	Enhancement of disaster response and control Improvement on infrastructure to	-There were no emergency cases during the year.

	to take care for basic medical and emergency issues		help in easy accessibility in case of calamities	
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## **V. Statement of Governance**

### **Introduction**

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

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

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

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

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

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

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

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

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

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

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

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

1952 Kenya Subsidiary Legislation, 2016

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

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

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

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

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

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

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

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

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

Further the NG CDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

**Appointment of NGCDFC Members**

**The selection Panel**

The selection panel was appointed in the month of September 2022. This constituted four members as follows;

<b>SNO</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	David Mutua	Chairperson
2	Jimna Macharia	Secretary
3	Roseline Akinyi	Member
4	Maurice Okumu	Member

In the month of August 2022, due to change of regime as a result of election, the serving committee was phased off. This caused the NGCDF office to carry out an appointment of the new committee.

In Kibra constituency, the selection panel 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 in the month of September 2022.

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

<b>S/N</b>	<b>Name</b>	<b>Category representation</b>	<b>Ward</b>
1.	John Shikokoti	Male (Adult)	Lindi
2.	Jackson Omuga	Male (Youth)	Sarang'ombe
3.	Hallen Ndunge	Female (Adult)	Woodly
4.	Everline Were	Female (Youth)	Makina



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

S/N	Name	Nature of physical Impairment	Ward
1	Gladwell Wambui	Physical – Left hand Amputated.	Laini Saba

**Nominee of the constituency Office**

S/N	Name	Category	Ward
1	Ali Mohammed	Male representative	Makina
2	. Roseline Amondi	Female Representative	Sarang'ombe

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.	Jeniffer Kerubo	Female	Laini Saba

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

1. Chairperson position – Hallen Ndunge
2. Secretary position – Jackson Omuga

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

The appointed committee members were gazetted through Gazette volume number 254 on 29<sup>th</sup> November 2022.

The new committee held its first meeting on 14<sup>th</sup> December 2022.

Sno.	Name	Position
1	Hallen Ndunge	Chair person
2	Jackson Omuga	Secretary
3	John Shikokoti	Member
4	Everline Were	Member
5	Gladwell Wambui	Member
6	Ali Mohammed	Member
7	Roseline Amondi	Member
8	Jeniffer Kerubo	Member

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National Government Constituencies Development Fund (NGCDF)  
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9	Jimna macharia	Fund Manager
10	Gideon ombogi	DCC

**Removal of NGCDFC Members**

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

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

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

**Roles and functions of NG-CDFC**

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

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.

viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.

ix. Enter into performance contracting with the Board on an annual basis.

**Training of NG-CDFC Members**

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

**Number of meetings held**

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings.

During the financial year 2022/2023 the NGCDFC Kibra held 17 meetings through the year, 2 being for the previous committee while 15 for the current committee as illustrated as follows;

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***National Government Constituencies Development Fund (NGCDF)***  
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**Schedule of meetings held during the FY 2022/2023 and attendance**

S.No	NG-CDFC COMMITTEE MEMBERS	14 Dec 22	15 Dec 22	16 Dec 22	6 Jan 22	26 Jan 23	16 Feb 23	23 Feb 23	8 Mar 23	24 Mar 23	12 Apr 23	22 Apr 23	3 May 23	30 May 23	13 Jun 23	26 Jun 23
1	Hellen Ndunge- <b>Chairperson</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Jackson Omuga- <b>Secretary</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	John Shikokoti- <b>member</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Roseline Orege <b>Member.</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
5	Everline Were <b>member</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
6	Jeneffer Kerubo - <b>member</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
7	Gladwell Wambui-PWD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
8	Ali Mohammed - <b>Member</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
9	Jimnah Macharia - <b>FAM</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
10	Gideon Ombong'i - <b>ACC</b>	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

**Ethics & conduct**

Members of NGCDFC are required to observe the following ethical issues;

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2022/2023 members of NGCDFC Kibra adhered to the above ethical issues.

**Members remuneration**

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

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

**Disclose policy on conflict of interest**

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

**Risk management**

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Kibra has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring

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that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

## **Environmental and Sustainability Reporting**

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

- a. **Education and Training:** Kibra 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; Kibra NG-CDF 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**

- Kibra NG-CDF has been planting trees across the constituency especially in schools' semi annually
- The committee has been sensitizing the community on drug issues through Kibera Sub county health centre.
- Kibra NG-CDF has supported school games and community by providing sports uniform, balls and trophies

## **3. Employee welfare**

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

Kibra 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.

NG-CDF 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-**

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

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

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

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

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The NG CDF 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.

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

  
.....  
Jimnani Macharia  
Fund Account Manager



## **VI. 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 NG-CDF- Kibra 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- Kibra 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- Kibra 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 Kibra Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing

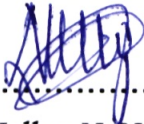
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covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the constituency's 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- Kibra Constituency financial statements were approved and signed by the Accounting Officer on 30<sup>th</sup> June 2023.



.....  
**Name: Hellen N. Ndunda**  
**Chairman – NGCDF Committee**



.....  
**Name: Jimnah Macharia**  
**Fund Account Manager**



# REPUBLIC OF KENYA

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HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIBRA 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient, and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kibra Constituency set out on pages 1 to 35, which

comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the 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, excepts for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kibra 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 National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Statement of Cash Flows**

The statement of cash flows reflects a comparative amount of Kshs.923,260 in respect to compensation of employees while the audited prior year financial statements reflects Kshs.992,860 resulting to an unexplained variance of Kshs.69,620. Further, the same statement reflects an amount of Kshs.188,724,249 in respect to total payments while a recast of the amount revealed Kshs.188,654,629 resulting to unexplained variance of Kshs.69,620.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

#### **2. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.50,768,590 and as disclosed in Note 8 to the financial statements relating to bursary payments of Kshs.37,539,090 and Kshs.13,229,500 disbursed to secondary schools and tertiary institutions and respectively. However, no acknowledged letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.50,768,590 could not be confirmed.

#### **3. Unsupported Project Management Committee Balances**

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank accounts balance of Kshs.709,153. However, the cash books

and bank reconciliation statements for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC accounts balance of Kshs.709,153 could not be confirmed.

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

### **Emphasis of Matter**

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

The summary statement of appropriation reflects final reflects final receipts budget amount of Kshs.167,598,814 and actual on comparable basis amounts of Kshs.109,511,211 resulting to under-funding of Kshs.58,087,603 or 35% of the of the budget. However, the Fund spent Kshs.78,390,946 against actual receipts of Kshs.109,511,211 resulting to under-utilization of Kshs.31,120,265 or 28% of the actual receipts.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

## **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, I confirm that, nothing 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**

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

### **Basis for Conclusion**

#### **Failure to Maintain a Memorandum Cash Book**

Review of imprest records revealed that the Fund operates a standing imprest with a float of Kshs.100,000. However, a memorandum cash book to record all receipts and payments was not maintained and the balance in hand at any given time could not be determined.

In the circumstances, the effectiveness of internal controls on imprests management 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 so as to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

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

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



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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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**

**20 June, 2024**

**Kibra Constituency  
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**VIII. Statement of Receipts and Payments for the Year Ended 30th June 2023**

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	87,500,000	182,177,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,500,000</b>	<b>182,177,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,205,640	992,880
Committee expenses	5	5,037,240	8,154,600
Use Of Goods and Services	6	5,809,476	9,086,769
Transfers To Other Government Units	7	10,500,000	73,944,000
Other Grants and Transfers	8	50,768,590	96,546,000
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	170,000	
Other Payments	11	3,900,000	-
<b>Total Payments</b>		<b>78,390,946</b>	<b>188,724,249</b>
<b>Surplus/(Deficit)</b>		<b>9,109,054</b>	<b>(6,546,491)</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 30th June 2023 and signed by:

Fund Account Manager

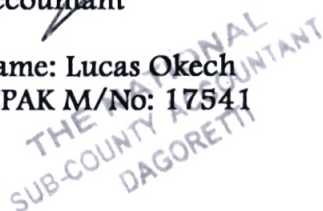
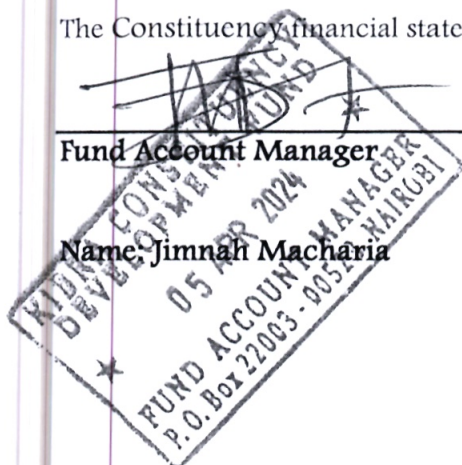
Name: Jimnah Macharia

National Sub-County  
Accountant

Name: Lucas Okech  
ICPAK M/No: 17541

Chairman NG-CDF  
Committee

Name: Hellen N. Ndunda



## IX. Statement of Assets and Liabilities As At 30th June, 2023

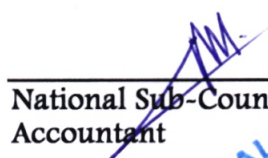
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	31,120,265	22,011,211
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>31,120,265</b>	<b>22,011,211</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>31,120,265</b>	<b>22,011,211</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>			
<b>Net Financial Assets</b>		<b>31,120,265</b>	<b>22,011,211</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	22,011,211	28,557,702
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		<b>9,109,054</b>	<b>(6,546,491)</b>
<b>Net Financial Position</b>		<b>31,120,265</b>	<b>22,011,211</b>

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

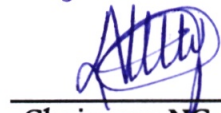
The Constituency financial statements were approved by NG CDFC on 30th June 2023 and signed by:

  
Fund Account Manager

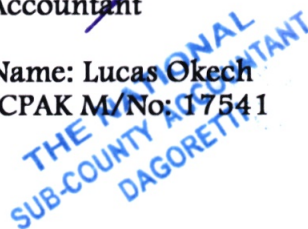
Name: Jimnah Macharia

  
National Sub-County  
Accountant

Name: Lucas Okech  
ICPAK M/No: 17541

  
Chairman NG-CDF  
Committee

Name: Hellen N. Ndunda



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

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

	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	87,500,000	182,177,758
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,500,000</b>	<b>182,177,758</b>
Payments			
Compensation Of Employees	4	2,205,640	923,260
Committee Expenses	5	5,037,240	8,154,600
Use Of Goods and Services	6	5,809,476	9,086,769
Transfers To Other Government Units	7	10,500,000	73,944,000
Other Grants and Transfers	8	50,768,590	96,546,000
Oversight Committee Expenses	10	170,000	-
Other Payments	11	3,900,000	-
<b>Total Payments</b>		<b>78,390,946</b>	<b>188,724,249</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>9,109,054</b>	<b>(6,546,491)</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>			
Net Increase In Cash And Cash Equivalent		<b>9,109,054</b>	<b>(6,546,491)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	11	<b>22,011,211</b>	<b>28,557,702</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>		<b>31,120,265</b>	<b>22,011,211</b>

**Kibra Constituency**

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

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

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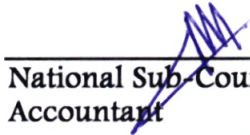
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 30th June 2023 and signed by:



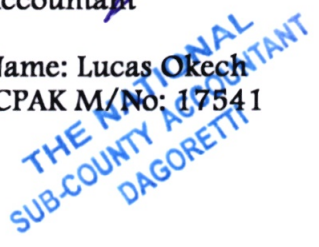
**Fund Account Manager**

**Name: Jimnah Macharia**



**National Sub-County Accountant**

**Name: Lucas Okech**  
**ICPAK M/No: 17541**



**Chairman NG-CDF Committee**

**Name: Hellen N. Ndunda**

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

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
<b>Receipts</b>	2022/2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022/2023	2022/2023		
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
Transfers From NGCDF Board	145,087,603	22,011,211	500,000	167,598,814	109,511,211	58,087,603	65%
Proceeds From Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	0.0%
<b>Totals</b>	<b>145,087,603</b>	<b>22,011,211</b>	<b>500,000</b>	<b>167,598,814</b>	<b>109,511,211</b>	<b>58,087,603</b>	<b>65.3%</b>
<b>Payments</b>							
Compensation Of Employees	2,077,760	5,507,897		7,585,657	2,205,640	5,380,017	29.0%
Committee Expenses	5,076,000	-		5,076,000	5,037,240	38,760	98.8%
Use Of Goods and Services	5,904,124	102,606		6,006,730	5,809,476	197,254	96.8%
Transfers To Other Government Units	55,400,000	1,646,283	500,000	57,546,283	10,500,000	47,046,283	18.2%
Other Grants and Transfers	62,320,355	14,226,198		76,546,553	50,768,590	25,777,963	65.3%
Acquisition of Assets		49,200		49,200	-	49,200	0.0%
Oversight Committee Expenses	500,000	-	-	500,000	170,000	330,000	34.0%
Other Payments	3,500,000	479,027		3,979,027	3,900,000	79,027	98.0%
Funds Pending Approval	10,309,363			10,309,363	-	10,309,363	0.0%
<b>Totals</b>	<b>145,087,603</b>	<b>22,011,211</b>	<b>500,000</b>	<b>167,598,814</b>	<b>78,390,946</b>	<b>89,207,868</b>	<b>46.8%</b>

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



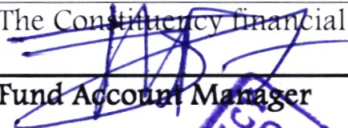
**Explanatory Notes.**

- (a) In the financial year ended 30<sup>th</sup> June 2023 we didn't collect any AIA
- (b) There was underutilization of funds during the financial year due to delay in disbursement of funds in the financial year under review.

During the financial year under review we didn't have any reallocation.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	89,207,868
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	58,087,603
	31,120,265
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	<b>31,120,265</b>

The Constituency financial statements were approved by NG CDFC on 30<sup>th</sup> June 2023 and signed by:

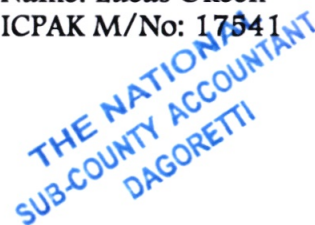
  
Fund Account Manager


Name: Jimnah Macharia



  
National Sub-County Accountant

Name: Lucas Okech  
ICPAK M/No: 17541



  
Chairman NG-CDF Committee

Name: Hellen N. Ndunda

**XII. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2023**

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30 <sup>th</sup> June 2023		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs		Kshs
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	2,077,760	5,507,897		7,585,657	2,205,640	5,380,017	29%
1.2 Committee allowances	2,900,000	-		2,900,000	2,880,000	20,000	99%
1.3 Use of goods and services	3,727,496	76,600.00		3,804,096	3,669,476	134,620	96%
<b>Total</b>	<b>8,705,256</b>	<b>5,584,497</b>	<b>-</b>	<b>14,289,753</b>	<b>8,755,116</b>	<b>5,534,637</b>	<b>61%</b>
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,270,000	16,602.00		1,286,602	1,240,000	46,602	96%
2.2 Committee allowances	2,176,000	-		2,176,000	2,157,240	18,760	99%
2.3 Use of goods and services	906,628	9,404.00		916,032	900,000	16,032	98%
<b>Total</b>	<b>4,352,628</b>	<b>26,006</b>	<b>-</b>	<b>4,378,634</b>	<b>4,297,240</b>	<b>81,394</b>	<b>98%</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools				-		-	
3.2 Secondary schools				-		-	
3.3 Tertiary institutions				-		-	
3.4 Security projects				-		-	

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

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30 <sup>th</sup> June 2023		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
3.5 Unutilised	7,636,190	8,879,686		16,515,876		16,515,876	0%
<b>Total</b>	<b>7,636,190</b>	<b>8,879,686</b>		<b>16,515,876</b>	-	<b>16,515,876</b>	0%
<b>4.0 Bursary and Social Security</b>				-			
4.1 Secondary Schools	34,040,875	3,976,156		38,017,031	37,539,090	477,941	99%
4.2 Tertiary Institutions	12,839,786	840,092		13,679,878	13,229,500	450,378	97%
4.3 Social Security	-	-		-	-	-	
4.4 Special Needs	2,000,000	-		2,000,000	-	2,000,000	0%
<b>Total</b>	<b>48,880,661</b>	<b>4,816,248</b>	-	<b>53,696,909</b>	<b>50,768,590</b>	<b>2,928,319</b>	95%
<b>5.0 Sports</b>				-		-	
Sports Activities	2,901,752	522,289		3,424,041		3,424,041	0%
<b>Total</b>	<b>2,901,752</b>	<b>522,289</b>	-	<b>3,424,041</b>	-	<b>3,424,041</b>	0%
<b>6.0 Environment</b>							
Mbagathi Primary School	182,752			182,752		182,752	0%
Mbagathi Secondary School	181,000			181,000		181,000	0%
Shadrack Kimalel Pri Sch	181,000			181,000		181,000	0%
Shadrack Kimalel Sec Sch	181,000			181,000		181,000	0%
Ayany Primary School	181,000			181,000		181,000	0%

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	2022-2023			2022-2023	30 <sup>th</sup> June 2023		
Olympic Secondary School	181,000	-	-	181,000	-	181,000	0%
Olympic Pri Sch	181,000	-	-	181,000	-	181,000	0%
Kibera Pri Sch	181,000	-	-	181,000	-	181,000	0%
Kibera Sec Sch	181,000	-	-	181,000	-	181,000	0%
Toi Pri Sch	181,000	-	-	181,000	-	181,000	0%
Moi Girls School	181,000	-	-	181,000	-	181,000	0%
Upper Hill School	181,000	-	-	181,000	-	181,000	0%
Jamhuri Pry Sch	181,000	-	-	181,000	-	181,000	0%
Joseph Kang'ethe Pry Sch	181,000	-	-	181,000	-	181,000	0%
Raila Educational Centre Pri Sch	183,000	-	-	183,000	-	183,000	0%
Woodley Boys Sec Sch	183,000	-	-	183,000	-	183,000	0%
<b>Total</b>	<b>2,901,752</b>	<b>-</b>	<b>-</b>	<b>2,901,752</b>	<b>-</b>	<b>2,901,752</b>	<b>0%</b>
<b>7.0 Primary Schools Projects</b>							
Raila Educational Pri Sch	-	366,273	-	366,273	-	366,273	0%
Ayany Primary School	-	10,000	-	10,000	-	10,000	0%
Kibera Primary Sch	-	510,000	-	510,000	-	510,000	0%
Joseph Kang'ethe Pry Sch	-	360,000	-	360,000	-	360,000	0%
Shadrack Kimalel Pry Sch	-	360,000	-	360,000	-	360,000	0%

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

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30 <sup>th</sup> June 2023		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
Primary School Desks	-	30,000		30,000		30,000	0%
Mbagathi Primary School	-	10,000		10,000		10,000	0%
Olympic Primary School	10,000,000	-		10,000,000	10000000		100%
				-		-	
<b>Total</b>	<b>10,000,000</b>	<b>1,646,273</b>	<b>-</b>	<b>11,646,273</b>	<b>10,000,000</b>	<b>1,646,273</b>	<b>86%</b>
<b>8.0 Secondary Schools Projects</b>						-	
Raila Educational Centre Sec. School	14,000,000	-		14,000,000		14,000,000	0%
Mbagathi Secondary School	8,400,000	-		8,400,000		8,400,000	0%
				-		-	
				-		-	
<b>Total</b>	<b>22,400,000</b>	<b>-</b>	<b>-</b>	<b>22,400,000</b>	<b>-</b>	<b>22,400,000</b>	<b>0%</b>
<b>9.0 Tertiary institutions Projects</b>						-	
Toi Tec Ed and Voc Training (TVC) Centre	23,000,000	10	500,000	23,500,010	500,000	23,000,010	2%
<b>Total</b>	<b>23,000,000</b>	<b>10</b>	<b>500,000</b>	<b>23,500,010</b>	<b>500,000</b>	<b>23,000,010</b>	<b>2%</b>
<b>10.0 Security Projects</b>						-	
				-		-	
Capitol Hill Police Station	-	7,975		7,975	-	7,975	0%

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	2022-2023			2022-2023	30 <sup>th</sup> June 2023		
				-	-	-	
<b>Total</b>	-	7,975	-	7,975	-	7,975	0%
<b>11.0 Acquisition of assets</b>				-	-	-	
Construction of CDF office	-	49,200		49,200	-	49,200	0%
	-		-	-	-	-	
	-		-	-	-	-	
<b>Total</b>	-	49,200	-	49,200	-	49,200	0%
<b>12.0 Oversight Committee Expenses (itemize)</b>				-		-	
COC (Daily Subsistence)	300,000			300,000	170,000	130,000	57%
COC ( Other Committee Expenses)	100,000		-	100,000	-	100,000	0%
COC ( Travel Cost)	100,000		-	100,000	-	100,000	0%
	-		-	-			
<b>Total</b>	500,000	-	-	500,000	170,000	330,000	34%
<b>13.0 Other payments</b>				-		-	
Strategic Plan	3,500,000	402,000		3,902,000.00	3,900,000	2,000.00	100%
Innovation Hub	-	77,027		77,027.00		77,027.00	0%
				-			

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

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30 <sup>th</sup> June 2023		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
<b>Total</b>	3,500,000	479,027	-	3,979,027	3,900,000	79,027	98%
<b>14.0 unallocated fund</b>							
Unapproved projects						-	
Kibra Deputy County Commissioner Complex	10,309,364	-	-	10,309,364		10,309,364	0%
AIA				-		-	
PMC savings				-		-	
<b>Total</b>	<b>10,309,364</b>	<b>-</b>	<b>-</b>	<b>10,309,364</b>	<b>-</b>	<b>10,309,364</b>	<b>0%</b>
	145,087,603	22,011,211	500,000	167,598,814	78,390,946	89,207,868	47%

(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)

### **XIII. 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-Kibra 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.

##### **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.

#### **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.

#### **9. Pending Bills**

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

#### **10. Unutilized Fund**

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

#### **11. Budget**

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

#### **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.

## XIV. Notes To the Financial Statements

## 1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO B140931	-	33,000,000
AIE NO B105390	-	34,000,000
AIE NO B105605	-	10,000,000
AIE NO B105803	-	22,000,000
AIE NO B128543	-	5,000,000
AIE NO B154051	-	12,000,000
AIE NO B164492	-	18,000,000
AIE NO B128855	-	12,000,000
AIE NO B155849	-	24,088,879
AIE NO B155964	-	12,088,879
B 185100	7,000,000	-
B 185635	15,000,000	-
B 185514	6,000,000	-
B 206134	5,000,000	-
B 206388	12,000,000	-
B 205772	12,000,000	-
B 205650	500,000	-
B 207533	15,000,000	-
B 207896	15,000,000	-
<b>TOTAL</b>	<b>87,500,000</b>	<b>182,177,758</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>

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**3. Other Receipts**

	<b>2022-2023</b>	<b>2021-2022</b>
	<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>

**4. Compensation Of Employees**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	1,141,380	923,260
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	986,500	-
Employer Contributions Compulsory national social security schemes	77,760	69,620
<b>Total</b>	<b>2,205,640</b>	<b>992,880</b>

**5. Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	2,880,000	3,103,000
Other committee expenses	2,157,240	5,051,600
<b>Total</b>	<b>5,037,240</b>	<b>8,154,600</b>

*Notes To the Financial Statements (Continued)*

**6. Use of Goods and services**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	800,000	1,880,000
Communication, supplies and services	400,000	110,000
Domestic travel and subsistence	700,000	70,000
Printing, advertising and information supplies & services	-	2,547,600
Training expenses	1,240,000	3,290,000
Hospitality supplies and services	-	-
Insurance costs	100,000	73,489
Office and general supplies and services	980,220	640,000
Fuel , oil & lubricants	345,000	250,000
Other operating expenses	1,235,256	-
Bank Charges	9,000	145,680
Routine maintenance – vehicles other transport equipment	-	-
Routine maintenance- other assets	-	-
<b>Total</b>	<b>5,809,476</b>	<b>9,086,769</b>

**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 (See Attached List)	10,000,000	36,850,000
Transfers To Secondary Schools (See Attached List)	-	13,000,000
Transfers To Tertiary Institutions (See Attached List)	500,000	24,094,000
<b>Total</b>	<b>10,500,000</b>	<b>73,944,000</b>

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**8. Other Grants and Other transfers**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools (see attached list)	37,539,090	70,410,000
Bursary – tertiary institutions (see attached list)	13,229,500	17,423,500
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programme (NHIF)	-	-
Security projects (see attached list)	-	2,291,000
Sports projects (see attached list)	-	6,421,500
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	-	-
Roads projects (see attached list)	-	-
<b>Total</b>	<b>50,768,590</b>	<b>96,546,000</b>

**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>



*Notes To the Financial Statements (Continued)*

**10. Oversight Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Member Allowances	170,000	-
Other COC Expenses	-	-
	<b>170,000</b>	-

**11. Other Payments**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	3,900,000	-
ICT Hub	-	-
	<b>3,900,000</b>	-

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**12. Cash Book Bank Balance**

<b>Name Of Bank, Account No. &amp; Currency</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
Equity Bank, Account No. (1170261223145)	31,120,265	22,011,211
Name of Bank, account No. ( Deposits account)	-	-
<b>Total</b>	<b>31,120,265</b>	<b>22,011,211</b>
<b>12 B: Cash on Hand</b>	<b>2022-2023</b>	<b>2021-2022</b>
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13. Outstanding Imprests**

<b>Name of Officer or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken</b>	<b>Amount Surrendered</b>	<b>Balance</b>
		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<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.]*

**Notes to the Financial Statement Continued**  
**14. Retention and Gratuity**

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

14 B. Gratuity	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 2023 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	22,011,211	28,557,702
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>22,011,211</b>	<b>28,557,702</b>
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward		

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

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

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**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	-	-

*Notes To the Financial Statements (Continued)*

**19. Other Important Disclosures**

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

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

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

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDF Staff (Gratuity)		
Dennis Wanyonyi Barasa	78,120	-
Duncan Otieno Nyamambe	40,920	-
Lilian Adhiambo Omondi	40,920	-
Heclas Kalsum Omari	39,060	-
Maxwel Odhiambo Ochupe	40,920	-
Deodatus Otieno Ojwang	37,200	-
Others (specify)	-	-
	<b>277,140</b>	-

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

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	5,380,017	5,507,897
Use of goods and services	197,254	102,606
Committee expenses	38,760	-
Amounts due to other Government entities (see attached list)	47,046,283	1,646,283
Amounts due to other grants and other transfers (see attached list)	25,777,963	14,226,198
Acquisition of assets	49,200	49,200
COC	330,000	
Other Payments ( <b>Specify</b> )	79,027	
Strategic Plan Kshs. 2,000		479,027
Innovation Hub Kshs. 77,027		
Funds pending approval	10,309,363	-
<b>Total</b>	<b>89,207,867</b>	<b>22,011,211</b>

**19.4: PMC account balances (See Annex 5)**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)		
Capitol Hill Police Station	310	310
Mbagathi Primary School	480	290,630
Moi Girls Nairobi	25	600,085
Kibera Secondary School	105,050	105,050
Woodley Boys Secondary School	350	3,159,950
Kibra Sub-County A.P Station	200	200
Upper hill school	2,905	2,905
Jamhuri Estate Primary school	1,167	1,167
Ayany primary school	1,287	1,287
Toi TVET/ Kibra TVET	555	31,092,975
Raila Educational Centre Primary School	96,550	1,798,150
Olympic Primary School	500,273	-
<b>TOTALS</b>	<b>709,153</b>	<b>37,052,709</b>

**Annexes: 1 Analysis of Pending Accounts Payable**

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

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

<b>Name of Staff</b>	<b>Designation</b>	<b>Date employed</b>	<b>Outstanding Balance 30<sup>th</sup> June 2023</b>	<b>Comments</b>
<b>NG-CDFC Staff</b>				
Dennis Wanyonyi Barasa	Accounts Assistant	1/1/2023	78,120	Gratuity due
Duncan Otieno Nyamambe	Driver	1/1/2023	40,920	Gratuity due
Lilian Adhiambo Omondi	Secretary	1/1/2023	40,920	Gratuity due
Heclas Kalsum Omari	Records Officer	1/1/2023	39,060	Gratuity due
Maxwel Odhiambo Ochupe	Clark of Works	1/1/2023	40,920	Gratuity due
Deodatus Otieno Ojwang	Security	1/1/2023	37,200	Gratuity due
<b>Sub-Total</b>			<b>277,140</b>	<b>Sub Total Gratuity due</b>
<b>Grand Total</b>			<b>277,140</b>	<b>Gratuity due</b>



## Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
<b>Compensation of employees</b>	Compensation of employees	5,380,017	5,507,898	Awaiting funds from the Board
<b>Committee expenses</b>	Payment of committee expenses	38,760	-	Awaiting funds from the Board
<b>Use of goods &amp; services</b>	Payments of goods and services to the office	197,254	102,606	Awaiting funds from the Board
<b>Sub-Total</b>		<b>5,616,031</b>	<b>5,610,504</b>	
<b>Amounts due to other Government entities</b>				
<b>Primary Schools</b>				
Raila Educational Pri Sch	Construction of 4 no. classrooms	366,273	366,273	Balance after completion
Ayany Primary School	Renovation of 10 classrooms	10,000	10,000	Balance after completion
Kibera Primary Sch	Construction of 12 no. classrooms	510,000	510,000	Balance after completion
Joseph Kang'ethe Pry Sch		360,000	360,000	Balance after completion
Shadrack Kimalel Pry Sch		360,000	360,000	Balance after completion
Primary School Desks		30,000	30,000	Balance after completion
Mbagathi Primary School		10,000	10,000	Balance after completion
Olympic Primary School		-	-	
<b>Secondary Schools</b>		<b>386,272</b>	<b>386,272</b>	
Raila Educational Centre Sec. School	Construction of 8 no. classrooms	14,000,000	-	Awaiting funds from the Board
Mbagathi Secondary School	Construction of 4 no. classrooms	8,400,000	-	Awaiting funds from the Board
<b>Sub-Total</b>		<b>22,400,000</b>		Awaiting funds from the Board
<b>Tertiary Institutions</b>				
Toi Technical & Vocational Training (TVET) Centre	Construction of 17 no. lecture halls	23,000,010	10	Balance after completion
<b>Sub-Total</b>		<b>47,046,283</b>	<b>1,646,273</b>	

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
<b>Amounts due to other grants and other transfers</b>				
Bursary - Secondary ( see attached list)	Pay bursaries to needy students.	477,941	840,092	Awaiting funds from the Board
Bursary -Tertiary ( see attached list)	Pay Bursary to needy students	450,378	3,976,156	Awaiting funds from the Board
Bursary- Special Schools	Pay Bursary to needy students	2,000,000	-	Awaiting funds from the Board
Security Projects ( see attached list)	Construction of two storied Kibra DCC Complex	7,975	7,975	Balance after completion
Sports Projects ( see attached list)	Sports activities in the constituency	3,424,041	522,289	Awaiting funds from the Board
Environment Projects ( see attached list)	Purchase of 10,000 litres water tanks to all public schools in the constituency	2,901,752	-	Awaiting funds from the Board
Emergency Projects ( see attached list)	To cater for unforeseen occurrences	16,515,876	8,879,686	Awaiting funds from the Board
<b>Sub-Total</b>		<b>25,777,963</b>	<b>14,226,197</b>	
<b>Acquisition of assets</b>				
NG-CDF Office	Construction Of Kibra NG-CDF Office	49,200	49,200	Balance after completion
<b>Sub-Total</b>		<b>49,200</b>	<b>49,200</b>	
<b>COC</b>	Payment of COC allowances	330,000	-	Awaiting funds from the Board
<b>Others Payments (Specify)</b>				
Strategic Plan	To facilitate in preparation of strategic plan	2,000	479,027	Balance after completion
I.C.T Hub	Construction of ICT Hub	77,027	-	Balance after completion
<b>Sub-Total</b>		<b>79,027</b>	<b>479,027</b>	
Funds pending approval	Awaiting approval by the Board	<b>10,309,363</b>	-	Awaiting approval by the board
<b>Grand Total</b>		<b>89,207,868</b>	<b>22,011,211</b>	

## Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	16,729,970
Buildings and structures	16,729,970	-	-	4,500,000
Transport equipment	4,500,000	-	-	1,550,496
Office equipment, furniture and fittings	1,550,496	-	-	518,419
ICT Equipment, Software and Other ICT Assets	518,419	-	-	-
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>23,298,885</b>	<b>-</b>	<b>-</b>	<b>23,298,885</b>

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022/23</b>	<b>Bank Balance 2021/22</b>
Capitol Hill Police Station	Equity	01170280816649	310	310
Mbagathi Primary School	Equity	01170280747349	480	290,630
Moi Girls Nairobi	Equity	01170269765365	25	600,085
Kibera Secondary School	Equity	01170270942529	105,050	105,050
Woodley Boys Secondary School	Equity	01170279874087	350	3,159,950
Kibra Sub-County A.P Station	Equity	01170279141568	200	200
Upper hill school	Equity	1170270264320	2,905	2,905
Jamhuri Estate Primary school	Equity	1170279876897	1,168	1,167
Ayany primary school	Equity	1170279874025	1,288	1,287
Toi TVET/ Kibra TVET	Equity	01170280229686	555	31,092,975
Raila Educational Centre Primary School	Equity	01170278998867	96,550	1,798,150
Olympic Primary School	Equity	1170278998867	500,273	-
<b>Total</b>			<b>709,153</b>	<b>37,052,709</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)
<p>Report of the Auditors-General on F/s of NGCDF Kibra Constituency</p>	<p>The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs. 28,527,702 while the board of survey report and cash book reflects a balance of Kshs. 28,557,701.55 resulting to an unexplained variance of Kshs. 30,000. Further, examination of the June 2021 bank reconciliation statement revealed payments in cash book not yet recorded in bank statement totaling Kshs .23,769,739 out of which cheques totaling Kshs.2,199,221 were stale. The stale cheques are dated from 29 April, 2019 to 10 April, 2020 and had not been reversed in the cash book as at 30 June. 2021.</p> <p>Consequently, the cashbook balance is understated by the amount of stale cheques Kshs.2,199,221 and the accuracy of cash book and bank</p>	<p>Kibra NG-CDF accepts that there was an under cast of Kshs 30,000 between the Cash and cash equivalents balance which was Kshs 28,527,702 and the board of survey report which is Kshs 28,557,701.55. This error has been collected in the financial statement. There was Kshs 23,769,739 cash book not yet recorded in the bank statement. Among this was Kshs 21,570,518 of the bursary cheque that we had already disbursed to the needy beneficiaries and delivered to the institutions but the institutions had not presented them to the bank for payment which have now been presented. The other Kshs</p>	<p>Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	balances could not be confirmed.	2,199,221 was stale cheques which had been disbursed to the beneficiary. The cheques had not been reversed as at 30th June 2022 but they have now been reversed as per the copy of the cash book and copy of the letter attached in index I of this response. We will ensure that our Cash book will always be up to date and we have revised the Financial Statements to reflect the true and fair position.		

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**Jinnah Macharia**  
**Fund Account Manager.**

