

REPUBLIC OF KENYA



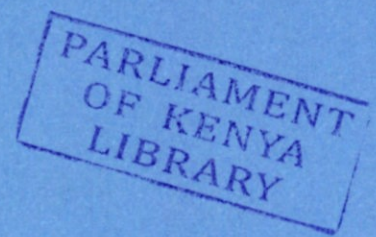
Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 07 AUG 2024 WED 7/8/2024

TABLED BY: Deputy Majority Whip
CLERK AT THE TABLE: Anastacia Thumbi



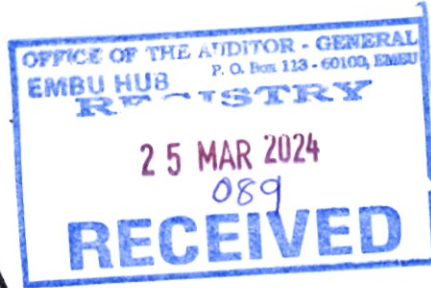
OF

THE AUDITOR-GENERAL

ON

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

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



THARAKA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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I. Acronyms and Abbreviations

Provide a list of all applicable acronyms and abbreviation e.g.

NGCDF-National Government Constituency Development Fund
PFM-Public Finance Management
IPSAS-International Public Sector Accounting Standards.
PMC-Project management committee
FY-Financial Year

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;

- 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 Tharaka 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)

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Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Happi Adan
2.	Sub-County Accountant	Joseph Kabii Chabari
3.	Chairman NGCDFC	Paul Ngoci
4.	Member NGCDFC	Veronica Kajira

(c) Fiduciary Oversight Arrangements

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

P.O. Box 33
Tharaka NG CDF Building/House/Plaza
Marimanti Nkubu Road
Marimanti, KENYA

(a) Tharaka Constituency NGCDF Contacts

Telephone: (254) 0711181096
E-mail: cdftharaka@ngcdf.go.ke
Website: www.tharaka.ngcdf.go.ke

(a) Tharaka Constituency NGCDF Bankers

Coop Bank
Chuka branch
AC Number 01120058205800
P.o Box 101-60400
Chuka

(e) Independent Auditors

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

(f) 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



MR. PAUL NGOCI- THARAKA NGCDFC CHAIRMAN

Greetings fellow stakeholders of NG-CDFC Tharaka Constituency.

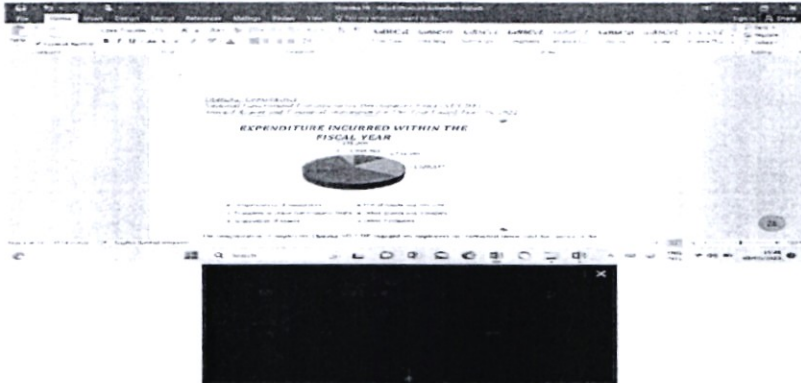
Tharaka Constituency is an electoral constituency in Kenya. It is one of three constituencies in Tharaka-Nithi County. The constituency was established prior to the 1988 elections. I am pleased to present the unaudited financial statements for Tharaka NG-CDF for the financial year ended 30th June 2023. During the financial year under review, I would like to notify that this financial year we managed to receive some of the allocated funds from the NG CDF board and subsequently we managed to apportion funds to various activities which included but not limited to the following activities

- Award of bursaries to needy students
- Construction and renovations of classes and building of new classes in schools
- Construction of TSC offices
- Construction of Administrative offices as well as Police camps
- Addressing of emergency cases

In regards to the above the consolidated expenditure which was incurred within the fiscal year was clustered into four categories which is as outlined below

<i>Compensation of employees</i>	<i>2,059,965</i>
<i>Use of goods and services</i>	<i>6,744,595</i>
<i>Transfers to Other Government Units</i>	<i>15,588,877</i>
<i>Other grants and transfers</i>	<i>40,080,500</i>
<i>Acquisition of Assets</i>	-
<i>Other Payments</i>	<i>2,995,000</i>
<i>TOTAL PAYMENTS</i>	<i>67,468,937</i>

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On compensation of employees Tharaka NG CDF engaged ten employees on contractual terms until the closure of the financial year when their contractual terms ended. Additionally, we have managed to engage two interns who have tremendously gained experience on matters to do with public procurement, project management as well as financial management. All the employees were deducted PAYE, NHIF, NITA as well as HELB dues monthly

In order to ensure seamless operations within the financial year, we have utilized kshs. 6,744,595 under purchase of goods and services. This was basically utilized to enhance capacity of the committee, staff as well as project management committee in addition to other operational costs such as vehicle maintenance, insurance, committee allowances, fuel, printing, stationaries among other related operational expenses.

On transfer to other government entities we utilized kshs 15,588,877 which went along way to the following activities

- Construction of classes,
- Renovation of classes

Kshs 40,080,500 was utilized under other grants and transfer which was primarily used for award of bursary to needy students as well as sports, environment and emergency cases within the year.

Lastly kshs 1,000,000 was used to construct TSCs office under other payments and Kshs 2,000,000 for the process of preparation of the Strategic plan for the subsequent 5 years.

On behalf of the entire committee, I would like acknowledge all the stakeholders involved in management of NG CDF activities for their corporation. May God bless you all

Key achievements

We therefore have completed 62% of our allocations in time, and the achieved results as stipulated in the summary pictures below was noted.

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Sample of projects implemented within the fiscal year



Rukenya secondary school-Completion of two classroom

Impact: The school had no additional classroom to cater for the increasing number of students.



Gakuyu primary school - emergency project



Gatiriku primary school-One Classroom

Impact: The school had no additional classroom to host the current form two to form three ie it will assist in transition.



Kaigakamwe mixed Day Sec School-Two classroom

IMPACT: The school is still hosted in primary school now it can become fully independent secondary school thus increasing learners enrolment.



Kenya medical training college-Two classroom

IMPACT: The students will get training at a cheaper rate as accommodation cost will reduce the fee balances as they will school at home and also the community will be sensitized on health issues especially female genital mutilation.

Challenges

The biggest challenge is that Tharaka Constituency has a lot of schools and some of the schools were made of temporary structures i.e. Mud classroom and the funds are little to manage all the schools as new day secondaries school is on increase.

There is also a challenge in the education sector this is because there are many needy students who are in need of support through the bursary fund which is never enough; this is due to prevailing economy status within the constituency i.e. low-income constituency experiencing prolonged drought.

Emerging issues

Increased need of classes due to junior secondary school.

Higher education loan board beneficiary will decrease due to new government directives hence putting pressure on scarce bursary allocations.

Solutions

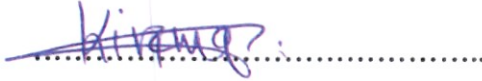
NGCDFC has initiated a programme to construct new classrooms i.e. over 10 classrooms were built and also renovate over 5 classrooms as it is cost effective i.e. the cost of renovation is half the price of a new classroom.

I wish to urge the NGCDF Board/NASC to continually increase the NGCDF funding to enable more projects uptake and also timely disbursement of funds to constituencies.

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We are initiated a better way of identifying needy student in bursary allocations. Like those who have been left out during selection are given second chance of appealing at the office.

Lastly would like to thank all the stake holders especially my fellow committee members for their continues support.



**Name: Paul Ngoci
CHAIRMAN NGCDF COMMITTEE**

IV. Statement Of Performance Against Predetermined Objectives for FY 2022/2023

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 Tharaka *Constituency 2023-2027* plan are to:

No	Strategic Theme	Strategic Objective	Strategies
1	Access to quality education	To improve access to quality education	Expansion of schools through rehabilitation/ renovation/construction of classrooms in various primary and secondary schools in the constituency
			Construction and equipping laboratories in secondary schools in the constituency
			Completion of day secondary schools
			Construction of permanent classrooms for mud-walled primary schools
			Construction of computer labs/classes (both levels)
			Construction of multipurpose halls in all schools
			Construction of libraries in secondary schools
			Construction of dormitories in secondary schools and selected primary schools
			Construction of toilet blocks in both primary and secondary schools
			Levelling of playing fields in both primary and secondary schools
			Provision of water tanks in schools
			Provision of bursary to needy and bright secondary school/tertiary institutions' students
2	Youth and Sports	To harness youth talent and empower them	Conducting campaigns on drugs and substance abuse and on HIV and AIDS
			Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds
			Funding of youth sporting initiatives (e.g. Marathon activities)
3	Emergency Support	To cater for any unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency
4	Environment	To promote environmental sustainability in the constituency	Supporting schools and public institution to acquire tree seedlings
			Organizing tree planting days in schools

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No	Strategic Theme	Strategic Objective	Strategies
5	Security	To enhance security in the constituency	Construction of ACCs and DCCs offices and residential houses
			Construction/Renovation of offices for chiefs and Ass. Chiefs
			Awareness creation on community policing and sensitization of community members on security matters
			Construction/rehabilitation of Police Stations/Administration Offices
			Construction/rehabilitation of police houses and AP Camps
			Fencing administration offices, AP camps and police stations
6	Tracking of results	To improve tracking of implementation CDF programmes	Monitoring and Capacity Building of NGCDFC's and PMC's
			Organizing regular projects monitoring field visits
			Synthesis of PMC reports into quarterly PIS
7	Institutional Strengthening	To promote performance management and smooth running of the CDF office	Preparation of Constituency Strategic Plan
			Staff training
			Purchase of working tools and equipment

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Increasing number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In the FY 2022/2023 -we increased number of classrooms from 20 to 30 in both primary and secondary schools/institutions - Bursary beneficiaries at all levels awarded and secondaries school receiving the highest share of ksh 20,351,849
Security	To enhance security in the constituency.	Reduced incidences of cattle rustling in the constituency. Reduced crime rate on the constituency.	Increasing number of police post.	Increased number of 6 police posts in the following entities: nkarini and kithioroka police post each three rooms.
Environment	To promote environmental sustainability in the	Protection of water resources through fencing	Increasing the number of tree planting	50 schools benefited and each school 100 seedlings and fencing

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	constituency			of all tree planted.
Sports	To harness youth talent and empower them	Improved sports amenities in the constituency	Increase in number of talent identifications	Increased the number of sports gears by providing football net, uniforms, etc.Sixy foot ball team and thirty football team benefited from above initiated.
Emergency	To cater for any unforeseen occurrences in the constituency	Improved efficiency in addressing disasters in the constituency	Sustaining students in school during unexpected calamities. Number of emergency cases addressed in the constituency through the emergency vote head	Addressed disaster issues in the following entities as per the attached entities

V. Statement of Governance

The Tharaka NGCDF is managed by the National Government Constituency Development Fund Committees. The NGCDFC are appointed in line with the existing NGCDF regulations 2016 and NGCDF Act 2015.

(a).Selection of committee.

The NGCDFC are selected through an appointed NGCDFC Selection Panel Comprising of the following four persons:

- a) 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;
- b) the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- c) two persons, one of either gender, nominated by the Constituency office.

After the formation of the selection panel, The officer of the Board seconded to the Constituency, within fourteen days of the first meeting of the selection panel invites applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

The NGCDFC to be selected are required to meet the following criteria and qualifications:

- a) is a citizen of Kenya; Committee.
- b) is ordinarily a resident and a voter within the Constituency;
- c) is able to read and write and to communicate in English and Kiswahili;
- d) meets the requirements of Chapter Six of the Constitution; and
- e) is available to participate in the activities of a Constituency Committee.

The persons who have previously served in a Constituency Committee constituted under the Fund or served in a leadership position in the Community were deemed to have an added advantage.

The NGCDFC Selected are to comprise of the following persons:

- (a) the national government official responsible for co-ordination of national government functions;
- (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- (c) two women nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
- (d) one persons with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
- (e) Two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;

(f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex official member without a vote.

(g) One member co-opted

(b) Removal from the office.

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 practices;
- (f) causing disharmony within the committee;
- (g) physical or mental infirmity.

(c) Functions of committee


The functions of a Constituency Committee is be to build the capacity of project management committees and Committee; sensitize the Community on the operations of the Fund; consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency; ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act; ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans; in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution; consult with relevant government departments to ensure that cost estimates for projects are realistic; in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects; subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding; rank projects proposals in order of priority while ensuring that on-going projects take precedence; ensure that all projects receive adequate funding and are completed within three years; where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies; ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board; monitor the implementation of projects in accordance with the monitoring and evaluation

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by the Board; ensure that project reports are prepared and submitted to the Board; ensure formation of project management committees, opening of project accounts, project implementation and closure of projects; ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund; 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; collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act; recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act; submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain list of all the new projects commenced during the financial year and their completion status; and a list of all projects approved, funded and commenced during previous financial years, and their completion status; enter into performance contracting with the Board on an annual basis; in exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution; receive returns from project management committees in accordance with regulation 15; maintain a database of project management committees and reports from the respective committees; ensure that the reports referred to in paragraph are received before funding is released for each phase of the project being implemented; record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office; receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level; ensure that the committee does not enter into commitments for which funding has not been allocated; ensure projects are labelled in accordance with the guidelines issued by the Board; and perform any other function assigned to it by the Board.

(d) Committee meetings and allowances

Over the Financial Year 2022-23, the Tharaka NGCDFC Held a total of 14 Meetings to deliberate on the management issues and operations of the fund at the Constituency level. The NGCDFC are paid a sitting allowance of Ksh 5,000 per meeting for the members and Ksh 7,000 per meeting for the NGCDFC Chairpersons. The entity ensures that members declare their interest in management matters to avoid the conflict of interests.


Name: Paul Ngoci
Chairperson- NGCDF Committee

DATE:
SIGN: 
THARAKA NGCDFC
FUND ACCOUNTS MANAGER
Name: Happi Adan
Fund Account Manager

VI. Environmental and Sustainability Reporting

Tharaka 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

Sustainability strategy and profile -

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

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

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

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

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

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

1. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

2. Employee welfare

We invest in providing the best working environment for our employees. Tharaka 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. Tharaka 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.

3. Market place practices-

Tharaka NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from

the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

NGCDF has put in efforts to ensure:

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

4. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

FUND ACCOUNTANT MANAGER
THARAKA NG-CDF

DATE

Name

Fund Account Manager.

VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Tharaka 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- Tharaka 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- Tharaka 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 Tharaka Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly

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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- Tharaka Constituency financial statements were approved and signed by the Accounting Officer on _____ 2023.

.....


Name: Paul Ngoci
Chairman – NGCDF Committee

.....


Name: Happi Adan
Fund Account Manager

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Tharaka Constituency set out on pages 1 to 43,

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

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.23,111,285 as disclosed in Note 12A to the financial statements. Review of the bank reconciliation statement for June, 2023 revealed unrepresented cheques totalling Kshs.6,067,263 which includes stale cheques amounting to Kshs.87,718. However, Management did not provide an explanation why the cheques had not been written back in the cashbook.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.23,111,285 could not be confirmed.

2. Unsupported Transfers to Other Government Units

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.16,588,877 which as disclosed in Note 7 to the financial statements includes transfers to secondary schools of Kshs.9,088,877 out of which Kshs.4,300,000 was incurred on purchase of a school bus. However, procurement documents supporting the purchase including tender opening minutes and tender evaluation reports were not provided for audit.

In the circumstances, the accuracy and completeness for the expenditure of Kshs.4,300,000 could not be confirmed.

3. Lack of Ownership Documents

As previously reported, Annex 4 to the financial statements reflects summary of fixed assets register balance of Kshs.14,378,068. However, review of assets register records revealed that the Fund offices stands on un-surveyed land of unknown value whose

ownership documents were not provided and disclosed in the financial statements. In addition, the building had not been valued to reflect the current value.

In the circumstances, the accuracy, ownership, existence and completeness of the fixed assets balance of Kshs.14,378,068 could not be confirmed.

4. Unsupported Project Management Committee Balances

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) brought forward balances of Kshs.5,332,918 that was spent during the year under review. However, the balance includes Kshs.4,179,301 that was not supported with contract agreements, evaluation reports for the projects, invoices, payment receipts, inspection and acceptance committee minutes or inspection reports, approvals from the Public Works Department, certificate of work done and drawings.

In the circumstances, the accuracy and completeness of the balances brought forward from the financial year 2021/2022 of Kshs.4,179,301 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs.142,403,772 and Kshs.90,580,222 respectively, resulting to an under-funding of Kshs.51,823,550 or 36% of the budget. However, the Fund spent Kshs.67,468,937 against actual receipts of Kshs.90,580,222 resulting to an under-utilization of Kshs.23,111,285 or 25% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Prior Year Unresolved Audit Issues

In the report of the previous year, several issues were raised under Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, although Management has indicated that some of the issues have been resolved, the matters remained unresolved as the National Assembly has yet to deliberate on the audit report for 2021/2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for conclusion

Delayed Implementation of Projects

According to the project implementation status report provided for audit, thirty-seven (37) projects with a combined allocation of Kshs.55,988,000 were budgeted to be implemented during the year under review. However, only thirteen (13) projects with a combined budget of Kshs.17,488,877 had been completed while twenty-four (24) projects with a combined budget of Kshs.38,499,123 had not been completed due to delays in disbursement of funds by the Board as at 30 June, 2023.

This is an indication of inappropriate project implementation mechanism which was contrary to Section 40 of the National Government Constituencies Development Fund Act, 2015 which states that the Board shall ensure that the list of projects forwarded to it by each constituency is, upon approval, funded in accordance with the Act.

In the circumstances, the delayed projects affected the planned activities and impacted negatively on service delivery to the public.

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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The Standards require that I plan and perform the audit so as to obtain assurance about whether effective processes and systems of internal controls, 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 controls, as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 June, 2024


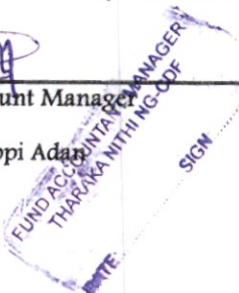
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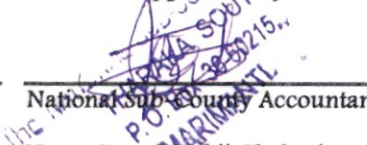
IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

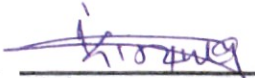
	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	75,000,000	182,177,755
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		75,000,000	182,177,755
PAYMENTS			
Compensation of employees	4	2,059,965	2,985,701
Committee expenses	5	930,200	1,953,449
Use of goods and services	6	5,814,395	8,682,852
Transfers to Other Government Units	7	16,588,877	95,111,123
Other grants and transfers	8	40,080,500	62,375,337
Acquisition of Assets	9	-	8,509,950
Oversight Committee Expenses	10	-	-
Other Payments	11	1,995,000	3,900,000
TOTAL PAYMENTS		67,468,937	183,518,412
SURPLUS/DEFICIT		7,531,063	(1,340,657)

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 08/09/ 2023 and signed by:


Fund Account Manager
Name: Happi Adan



National Sub County Accountant
Name: Joseph Sabii Chabari
ICPAK M/No: 14516



Chairperson NG-CDF Committee
Name: Paul Ngoci

Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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X. Statement Of Assets and Liabilities As At 30th June, 2023

	Note	2022-2023 Kshs	2021-2022 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	23,111,285	15,580,222
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		23,111,285	15,580,222
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		23,111,285	15,580,222
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL SSETS		23,111,285	15,580,222
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	15,580,222	16,920,878
Prior year adjustments	16	-	-
Surplus/Defict for the year		7,531,063	(1,340,657)
NET FINANCIAL POSITION		23,111,285	15,580,221

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 08/09/2023 and signed by:

Fund Account Manager

National Sub-County Accountant

Chairperson NG-CDF Committee

Tharaka Constituency

National Government Constituencies Development Fund (NGCDF)

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

Name: Happi Adan

Name: Joseph Kabii Chabari
ICPAK M/No: 14516

Name: Paul Ngoci

Tharaka Constituency
National Government Constituencies Development Fund (NGCDF)
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XI. Statement Of Cash Flows for The Year Ended 30th June 2023

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	75,000,000	182,177,755
Other Receipts	3	-	-
		75,000,000	182,177,755
Payments for operating activities			
Compensation of Employees	4	2,059,965	2,985,701
Committee expenses	5	930,200	1,953,449
Use of goods and services	6	5,814,395	8,682,852
Transfers to Other Government Units	7	16,588,877	95,111,123
Other grants and transfers	8	40,080,500	62,375,337
Oversight Committee Expenses	10	-	-
Other Payments	11	1,995,000	3,900,000
		67,468,937	175,008,462
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		7,531,063	7,169,293
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(8,509,950)
Net cash flows from Investing Activities		-	(8,509,950)
NET INCREASE IN CASH AND CASH EQUIVALENT		7,531,063	(1,340,657)
Cash and cash equivalent at BEGINNING of the year	12	15,580,221	16,920,878
Cash and cash equivalent at END of the year		23,111,285	15,580,221

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 08/09/ 2023 and signed by:

Fund Account Manager

Name: Happi Adan

National Sub-County Accountant

Name: Joseph Kabii Chabari
ICPAK M/No: 14516

Chairperson NG-CDF Committee

Name: Paul Ngoc

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

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS	Operating Balance (C/BK) and AIA	Previous Years Outstanding Disbursements				
Transfers from NG-CDF Board	126,823,551	0	142,403,772	90,580,222	51,823,550	63.6%
Proceeds from Sale of Assets			0	-	-	0.0%
Other Receipts			0	-	-	0.0%
TOTAL RECEIPTS	126,823,551	0	142,403,772	90,580,222	51,823,550	63.6%
PAYMENTS						
Compensation of Employees	3,847,699		3,940,377.00	2,059,965	1,880,412	52.3%
Committee expenses	1,020,000		1,020,000.00	930,200	89,800	91.2%
Use of goods and services	8,190,185		8,292,130.00	5,814,395	2,477,735	70.1%
Transfers to Other Government Units	38,800,000		50,888,000.00	16,588,877	34,299,123	32.6%
Other grants and transfers	51,514,791		54,751,838.00	40,080,500	14,671,338	73.2%
Acquisition of Assets	0		60,552.00	-	60,552	0.0%
Oversight Committee Expenses	1,450,876.03		1,450,876.03	-	1,450,876	0.0%
Other Payments	22,000,000.00		22,000,000.00	1,995,000	20,005,000	9.1%
TOTAL	126,823,551	0	142,403,773	67,468,937	74,934,836	47.4%

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***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) For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
 (Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.)
 The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	74,934,836
Less undisbursed funds receivable from the Board as at 30th June 2023	51,823,550
Add Accounts payable	23,111,286
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2022/2023	23,111,286

The Constituency financial statements were approved by NG-CDFC on 08/0/2023 and signed by:

Fund Account Manager

Name: Happi Adan

National Sub-County Accountant

Name: Joseph Kabii Chabari
 ICPAK M/No: 14516

Chairperson NG-CDF Committee

Name: Paul Ngoci

*Tharaka Constituency
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XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d /c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	30/06/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,847,699	92,678	-	3,940,377	2,059,965	1,880,412	52
1.2 Committee allowances	1,566,357	-	-	1,566,357	887,700	678,657	57
1.3 Use of goods and services	3,291,200	101,945	-	3,393,145	2,816,945	576,200	83
Total	8,705,256	194,623	-	8,899,879	5,764,610	3,135,269	65
2.0 Monitoring and evaluation							
2.1 Capacity building	1,487,500	-	-	1,487,500	1,450,300	37,200	97
2.2 Committee allowances	1,020,000	-	-	1,020,000	930,200	89,800	91
2.3 Use of goods and services	1,845,128	-	-	1,845,128	659,450	1,185,678	36
Total	4,352,628	-	-	4,352,628	3,039,950	1,312,678	70
3.0 Emergency							
3.1 Primary Schools	2,400,000	-	-	2,400,000	2,400,000	-	100
3.2 Secondary schools	-	-	-	-	-	-	-

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3.3 Tertiary institutions	-	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-	-
3.5 Unutilised	5,236,190			5,236,190	-	5,236,190	-
Total	7,636,190	-		7,636,190	2,400,000	5,236,190	31
4.0 Bursary and Social Security				-			
4.1 Secondary Schools	20,351,849.00	1,757,047	-	22,108,896	22,733,006.00	(624,110)	103
4.2 Tertiary Institutions	10,950,000.00	580,000	-	11,530,000	11,530,000.00	-	100
4.3 Social Security	0	-	-	-	-	-	
4.4 various vocational institutes	5,475,000	-	-	5,475,000	2,517,494	2,957,506	46
Total	36,776,849	2,337,047	-	39,113,896	36,780,500	2,333,396	94
5.0 Sports							
5.1	2,901,752	-	-	2,901,752	-	2,901,752	-
Total	2,901,752	-	-	2,901,752	-	2,901,752	-
6.0 Environment							
		-	-	-	-	-	#DIV/0!
Total	-	-	-	-	-	-	#DIV/0!
7.0 Primary Schools Projects							
Karambani Primary School	-	900,000	0.00	900,000.00	900,000	-	100
Kaongoni Primary School	-	900,000	0.00	900,000.00	900,000	-	100
Turima Primary School	-	1,000,000	0.00	1,000,000.00	1,000,000	-	100

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Gatagani Primary School	-	900,000	0.00	900,000.00	900,000	-	100
Mwerera Primary School	-	900,000	0.00	900,000.00	900,000	-	100
Kariini Primary School	-	900,000	0.00	900,000.00	900,000	-	100
Kiorimba Primary School		1,000,000.00	0.00	1,000,000.00	1,000,000	-	100
Tsc Office Tharaka		1,000,000	-	1,000,000	1,000,000	-	100
Kamutuandu Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Ntongoro Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Nthoa Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Nkiruni Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Kathuura Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Kiagu Primary School	1,300,000.00	0.00	0.00	1,300,000.00	-	1,300,000	-
Rwerigo Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Meru Boys Home Primary School	5,000,000.00	0.00	0.00	5,000,000.00	-	5,000,000	-
Kiorimba pry school	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Nkondi special primary school	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Mukothima Primary school	9,000,000.00	0.00	0.00	9,000,000.00	-	9,000,000	-
Kandongo primary school	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-

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Ntoroni Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Mariene Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Irimba pry school	2,500,000.00	0.00	0.00	2,500,000.00	-	2,500,000	-
Uturini Primary School	1,000,000.00	0.00	0.00	1,000,000.00	-	1,000,000	-
Total	29,800,000	7,500,000	-	37,300,000	7,500,000	29,800,000	20
8.0 Secondary Schools Projects						-	
Gaciongo Secondary School	0	4,300,000	-	4,300,000	4,300,000	-	100
Kaarani Secondary School		288,000	-	288,000	288,877	(877)	100
RUKENYA SECONDARY SCHOOL	2,000,000.00	-	-	2,000,000	2,000,000.00	-	100
GAKAUNI SECONDARY SCHOOL	1,000,000.00	-	-	1,000,000	1,000,000.00	-	100
KAIGA KAMWE SEC SCH	1,500,000.00	-	-	1,500,000	1,500,000.00	-	100
Ntonya Secondary School	1,000,000.00	-	-	1,000,000	0.00	1,000,000	-
Kaarani secondary School	1,000,000.00	-	-	1,000,000	0.00	1,000,000	-
Muthokima Day Secondary School	2,500,000.00	-	-	2,500,000	0.00	2,500,000	-
Total	9,000,000	4,588,000	-	13,588,000	9,088,877	4,499,123	67
9.0 Tertiary institutions Projects						-	-
						-	-
Total	-	-	-	-	-	-	-
10.0 Security Projects						-	-

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Twanthanju Ass.Chief Office	-	900,000.00	-	900,000	900,000	-	100
Gatunga Police Station	600,000.00	-	-	600,000	-	600,000	-
Nkarini Police Station	1,500,000.00	-	-	1,500,000	-	1,500,000	-
Kithioroka Police Station	1,500,000.00	-	-	1,500,000	-	1,500,000	-
Kithioroka Police Station	600,000.00	-	-	600,000	-	600,000	-
Total	4,200,000	900,000	-	5,100,000	900,000	4,200,000	18
11.0 Acquisition of assets				-		-	
11.1 Refurbishment of Buildings	-	60,552	-	60,552		60,552	-
Total	-	60,552	-	60,552	-	60,552	-
12.0 Oversight Committee Expenses (itemize)				-		-	
Constituency Oversight Committee	1,450,876	-	-	1,450,876	-	1,450,876	-
Total	1,450,876	-	-	1,450,876	-	1,450,876	-
13.0 Other payments				-		-	
KMTC Tharaka Campus	7,000,000	-	-	7,000,000	-	7,000,000	-
Tharaka Teachers College	2,000,000	-	-	2,000,000	-	2,000,000	-
Tharaka Teachers College	3,000,000	-	-	3,000,000	-	3,000,000	-
Tharaka Teachers College	1,000,000	-	-	1,000,000	-	1,000,000	-
Land Registry Office	1,500,000	-	-	1,500,000	-	1,500,000	-
Huduma Centre	5,500,000	-	-	5,500,000	-	5,500,000	-
Preparation of Strategic Plan 2023-2027	2,000,000	-	-	2,000,000	1,995,000	5,000	100
Total	22,000,000	-	-	22,000,000	1,995,000	20,005,000	9

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14.0 unallocated fund							
Unapproved projects	-	-	-	-	-	-	-
AIA	-			-	-	-	-
PMC savings	-			-	-		-
		-		-	-	-	-
Total	126,823,551	15,580,222	-	142,403,773	67,468,937	74,934,836	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)

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B163876		12,000,000
B105301		33,000,000
B105569		44,000,000
B105941		22,000,000
B128713		5,000,000
B154221		12,000,000
B154442		18,000,000
B154496		24,088,879
B163876		12,088,876
AIE NO. B 047450	7,000,000	
AIE NO. B 041290	6,000,000	
AIE NO. B 047710	15,000,000	
AIE NO. B 049297	5,000,000	
AIE NO. B 104322	12,000,000	
AIE NO. B 096578	12,000,000	
AIE NO..B207692	18,000,000	
TOTAL	75,000,000	182,177,755

2. Proceeds From Sale of Assets

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

3. Other Receipts

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

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,591,800	2,134,835
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	60,000
Gratuity-contractual employees	360,165	637,506
Employer Contributions Compulsory national social security schemes	108,000	153,360
TOTAL	2,059,965	2,985,701

5. Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	-	-
Other committee expenses	930,200	1,953,449
TOTAL	930,200	1,953,449

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	110,000	70,000
Communication, supplies and services	416,340	317,880
Domestic travel and subsistence	1,388,600	1,715,195
Printing, advertising and information supplies & services	575,000	683,195
Rentals of produced assets	-	-
Training expenses	1,235,000	1,593,551
Hospitality supplies and services	887,700	1,030,182
Insurance costs	327,005	324,745
Specialised materials and services	-	-
Office and general supplies and services	209,450	1,030,187
Fuel , oil & lubricants	450,000	1,017,387
Other operating expenses	-	-
Bank Charges	-	45,680
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	215,300	204,550
Routine maintenance- other assets	-	650,300
TOTAL	5,814,395	8,682,852.00

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	7,500,000.00	44,900,000
Transfers to Secondary Schools	9,088,877.00	36,411,123
Transfers to Tertiary Institutions	-	13,800,000
TOTAL	16,588,877.00	95,111,123

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	25,250,500	19,485,761
Bursary -Tertiary (see attached list)	11,530,000	11,767,343
Bursary- Special Schools	-	4,981,500
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	900,000	10,200,000
Sports Projects (see attached list)	-	5,483,555
Environment Projects (see attached list)	-	2,741,777
Emergency Projects (see attached list)	2,400,000	7,715,400
Roads Projects	-	-
TOTAL	40,080,500	62,375,337

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

Non Financial Assets	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	999,950
Purchase of Vehicles Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	7,510,000
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of office furniture and and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
TOTAL	-	8,509,950

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	-	-
Other COC expenses	-	-
TOTAL	-	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic Plan	1,995,000	-

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Huduma center		3,900,000
ICT Hubs	-	-
		-
TOTAL	1,995,000	3,900,000

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

14 B Gratuity

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

15. Fund Balance B/F

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	15,580,222	16,920,878
Cash in hand		
Imprest		
TOTAL	15,580,222	16,920,878

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16. Prior Year Adjustments

Description of the error	Balance b/f	Adjustments	Adjusted
	FY 2021/2022 as per Audited Financial statements Kshs	Kshs	Balance** b/f FY 2020/2021 Kshs
Bank accounts balances	-		-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
Total	-	-	-
Clarification note included			

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts receivable as at 30th June 2022 (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
Deposits and Retention as a t 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDF Staff	-	-
Others (specify)	-	-
	-	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	1,880,412	92,678
Committee expenses	89,800	
Use of goods and services	2,477,735	101,945
Amounts due to other Government entities (see attached list)	34,299,123	12,088,000
Amounts due to other grants and other transfers (see attached list)	14,671,338	3,237,047
Acquisition of assets	60,552	60,550
Oversight Committee Expenses	1,450,876	
Others (specify)	20,005,000	
Total	74,934,836	15,580,220.00

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18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	4,746,158	5,332,918
	4,746,158	5,332,918

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	
		2022-2023	2021-2022	
Compensation of employees	Employee salaries	1,880,412	92678	The employee were recruited in January 2023 hence unutilized.
Committee expenses	Committee expenses	89,800		Delay release of funds
Use of goods & services	Use of goods and services	2,477,735	101945	Delay release of funds
Amounts due to other Government entities				
Primary Schools Projects				
Kamutuandu Primary School	Construction of one classroom to completion	1,000,000	12088000	Delay release of funds
Ntongoro Primary School	Construction of one classroom to completion	1,000,000		Delay release of funds Delay release of

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				funds
Nthoa Primary School	Renovation of two classrooms new roof, flooring, doors, windows, plastering and paintings to completion.	1,000,000		Delay release of funds
Nkiruni Primary School	Construction of one classroom to completion	1,000,000		Delay release of funds
Kathuura Primary School	Renovation of 2 classrooms new roof, flooring, doors, windows and paintings to completion.	1,000,000		Delay release of funds
Kiagu Primary School	Completion of Administration Block	1,300,000		Delay release of funds
Rwerigo Primary School	Construction of one classroom to completion	1,000,000		Delay release of funds
Meru Boys Home Primary School	Renovation of 11 classrooms new roof, plastering, electrical conduit drop, flooring, doors, windows and paintings to completion.	5,000,000		Delay release of funds
Kiorimba primary school	Extension of Administration Block one room(staffroom), veranda extension and ceiling to completion	1,000,000		Delay release of funds
Nkondi special primary school	Construction of one classroom	1,000,000		Delay release of funds
Mukothima Primary school	Renovation of 24 classroom and administration block: Substructure, new roof, flooring,plastering,verrandah extension, doors and window fixing, painting and electrical conduit drop in each room	9,000,000		Delay release of funds
Kandondo primary school	Construction of one classroom	1,000,000		Delay release of funds

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Ntoroni Primary School	Renovation of two classes: Roofing, substructure floor, wall plaster, electrical drop, fixing windows and doors and painting	1,000,000		Delay release of funds
Mariene Primary School	Renovation of two classes:Roofing,substructure floor,wall plaster,electrical drop,fixingwindows and doors and painting(1,000,000)	1,000,000		Delay release of funds
Irimba pry school	Renovation of four classroom and administration block(ceiling included), new roof, flooring, doors, windows, plastering, electrical drop ,veranda extension and paintings to completion.	2,500,000		Delay release of funds
Uturini Primary School	Construction of one classroom to completion	1,000,000		Delay release of funds
Secondary Schools Projects				
Ntonya Secondary School	Construction of one classroom to completion	1,000,000		Delay release of funds
Kaarani secondary School	Construction of kitchen extension from Dining hall	1,000,000		Delay release of funds
Muthokima Day Secondary School	Completion of storey dormitory	2,500,000		Delay release of funds
Sub-Total		34,299,123	12,088,000	
Amounts due to other grants and other transfers				
Emergency	Catering for unforeseen occurrences in the Constituency during the Financial Year	5,236,190		
Bursary and Social Security	Secondary Schools	624,110		Delay release of funds

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	various vocational institutes	2,957,506		Delay release of funds
Sports	To cater for sports activities	2,901,752		Delay release of funds
Security Projects				
Gatunga Police Station	Pit latrine three door and urinal	600,000		Delay release of funds
Nkarini Police Station	Construction of Police office(Three room)	1,500,000		Delay release of funds
Kithioroka Police Station	Construction of Police office(Three room)	1,500,000		Delay release of funds
Kithioroka Police Station	Pit latrine three door and urinal	600,000	3,237,047	Delay release of funds
Sub-Total		14,671,338	3,237,047	
Acquisition of assets	Acquisition of assets	60,552	60,552	Delay release of funds
Oversight Committee Expenses(itemize)	Oversight Committee Expenses	1,450,876		Waiting circular on training
Others (specify)				

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	Construction of Two Classes to completion(white board 10 pcs@ksh 8,000 ,student chairs 200@ksh 5,000,notice board 10 pcs@ksh 3,000,30 fans@ksh 9,000,10 teachers desk and chairs @ksh 20,000,farnishing of administration block :curtaain,principal chair and desk,deputy principal desk,cabinet,computer and printer,secretary desk and chair,bursar desk and chair and front office table@ ksh 420,000,extension of administration block(kitchnett,staffroom,4 washrooms)@ 2,000,000,two classroom @3,000,000			
KMTC Tharaka Campus		7,000,000		Delay release of funds
Tharaka Teachers College	Completion of Administration Block: From Linto including ceiling and electrical work	2,000,000		Delay release of funds
Tharaka Teachers College	Construction of Two Separate Abolution Blocks	3,000,000		Delay release of funds
Tharaka Teachers College	Construction of one classroom to completion	1,000,000		Delay release of funds
Land Registry Office	Construction of Three Room to completion	1,500,000		Delay release of funds
Huduma Centre	Completion :Floor tiles,ceiling,internal doors, glazing ,fitting to abolition, electrical work, plumbing and fitting aluminium framing and glazing of tellers and offices, precast slab external and equipping	5,500,000		Delay release of funds
Preparation of Strategic Plan 2023-2027	Printing, publishing and launching of strategic plan	5,000		Balance still in account
Sub-Total		20,005,000	0	
Funds pending approval				

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Grand Total		74,934,836	15,580,222	
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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs)			(Kshs)
	2021-2022			2022-2023
Land	-	-		
Buildings and structures	8,610,523	-		8,610,523
Transport equipment	4,579,250	-		4,579,250
Office equipment, furniture and fittings	425,000	-		425,000
ICT Equipment, Software and Other ICT Assets	563,795	-		563,795
Other Machinery and Equipment	199,500	-		199,500
	-	-		-
Heritage and cultural assets	-	-		-
Intangible assets		-		
Total	14,378,068			14,378,068

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Annex 5 –PMC Bank Balances As At 30th June 2023

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2021-2022
GAKAUNI SECONDARY SCHOOL	SIDIAN BANK	A01030030001328	998,975	
GAKUYU PRIMARY SCHOOL	SIDIAN BANK	A01030030001318	62,630	
THIITI PRIMARY SCHOOL	SIDIAN BANK	A01030030001288	598,975	
GATIRIKU PRIMARY SCHOOL	SIDIAN BANK	A01030030001298	316,302	
IGUMO PRIMARY SCHOOL	SIDIAN BANK	A01016030000312	363,258	
RUKENYA MIXED DAY SEC SCHOOL	SIDIAN BANK	A01030030001308	1,998,975	
KAIGA KAMWE DAY SECONDARY SCHOOL	SIDIAN BANK	A01030710000176	407,043	
RWAKARAI PRIMARY	SIDIAN BANK	01030030000113		106,491
ACC CHIAKARIGA	SIDIAN BANK	01030030000691		998,975.00
KARUGUYUNI PRIMARY	SIDIAN BANK	01030030000631		55,216.00
KIIGANI PRIMARY	SIDIAN BANK	01030030000571		40,497.00
RWERIGO PRIMARY SCHOOL	SIDIAN BANK	01030030000141		0.20
GACEUNI PRIMARY	SIDIAN BANK	01030030000861		3,985.00
DCC CHIAKARIGA	SIDIAN BANK	01030030001008		135.00
THANANTU PRIMARY	SIDIAN BANK	01030030000551		274.00
GACERENI PRIMARY	SIDIAN BANK	01030030000261		1,000,000.00
GACIONGO SEC	SIDIAN BANK	01030030000022		5655
GACIGOGONI PRIMARY	SIDIAN BANK	01030030000651		3035
GAKIRWE ASS CHIEF OFFICE	SIDIAN BANK	01030030001018		57,352
GAKURUNGU PRIMARY SCHOOL	SIDIAN BANK	01030030001128		302,657.00
GATUNGA POLICE	SIDIAN BANK	01030030000781		1,192,694.00
IRIMBA PRIMARY SCHOOL	SIDIAN BANK	01030030000901		40,009.00
IRUNDUNI PRIMARY	SIDIAN BANK	01030030001118		987,632.00
KAANYAGA PRIMARY SCHOOL	SIDIAN BANK	01030030000171		2,837.00

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KABUABUA PRIMARY	SIDIAN BANK	01030030000941		57,429.00
KAIGA KAMWE PRIMARY	SIDIAN BANK	01030030000701		48,065
KAMANYAKI ASS CHIEF	SIDIAN BANK	01030030001058		42,181
KAMUJWA PRIMARY	SIDIAN BANK	01030030000361		163
KAMWATHU PRIMARY	SIDIAN BANK	01030030000761		41,749
KARAMBANI PRIMARY	SIDIAN BANK	01030030001038		42,383
KAROCHO CHIEFS OFFICE	SIDIAN BANK	01030030001168		200,000
KATHANGACINI SECONDARY	SIDIAN BANK	01030030000871		6,051
KINYINGIRI PRIMARY	SIDIAN BANK	01030030000441		44,123
KIORIMBA PRIMARY	SIDIAN BANK	01030030000212		295
KIORU PRIMARY	SIDIAN BANK	01030030001068		53,035
			4,746,158	5,332,918

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.0	Lack of ownership documents	The KMTC is located in public land which houses other government offices. The management is in the process of processing the title deed.	Not Resolved	December 2023.
4.0	Unsupported Bursary	The acknowledgement receipts were not received all due to varsity of the constituency however some acknowledgment have been scanned and sent for review.	Resolved	
5.0	PMC Account Balances	Confirmation certificate of bank statements have been provided.	Resolved.	
1.3	Inaccurate Receipts	I hereby present the amended financial statement	Resolved.	
2.0	Imprest management and control	Imprest management and control is now in place and working.	Resolved.	

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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)

FUND ACCOUNTANT MANAGER
THARAKA NITHI NG-CDF

[Handwritten Signature]
DATE: *[Handwritten Date]*

Name
Fund Account Manager.