

REPUBLIC OF KENYA



*Enhancing Accountability*

# REPORT

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 13 AUG 2024 Tuesday

TABLED BY: Hon. Naomi Wacamp  
Deputy Majority Party Whip

CLERK AT THE TABLE: A. Shitika

OF

**THE AUDITOR-GENERAL**

ON

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
MBEERE NORTH CONSTITUENCY**

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



---

**MBEERE NORTH CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

---

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

**Table of Contents**

Page

1. Acronyms and Glossary of terms.....	ii
2. Key Constituency Information and Management.....	iii
3. NG-CDFC Chairman’s Report .....	vii
4. Statement of Performance Against Predetermined Objectives for FY2022/23.....	xiii
5. Governance Statement.....	xix
6. Environmental and Sustainability Reporting .....	xxviii
7. Statement Of Management Responsibilities.....	xxxii
8. Report Of the Independent Auditors On TheNGCDF- Mbeere North Constituency.....	xxxiv
9. Statement Of Receipts and Payments for the Year Ended 30th June 2023 .....	1
10. Statement Of Assets and Liabilities As At 30th June, 2023 .....	2
11. Statement Of Cash Flows for The Year Ended 30th June 2023.....	3
12. Summary Statement of Appropriation for The Year Ended 30 <sup>th</sup> June 2023 .....	5
13. Budget Execution By Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2023 .....	8
14. Significant Accounting Policies.....	14
15. Notes To the Financial Statements.....	20
20. Annexes .....	32

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

---

**1. Acronyms and Glossary of terms**

DA	District Accountant
CDF	Constituency Development Fund
IPSAS	International Public Sector Accounting Standards.
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
PFM	Public Finance Management
PMC	Project Management Committee
FY	Financial Year

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

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

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

### **Mandate**

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

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

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

---

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

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

**Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Richard M. Maingi
2.	Sub-County Accountant	Faith N. Magiri
3.	Chairman NGCDFC	Jervasius Nyombyekothe
4.	Member NGCDFC	Anastasio P.N. Muthathai

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 226, 60104.  
Mbeere North NGCDF Offices  
Mbeere North Sub-County Headquarters  
Siakago, Embu  
KENYA

**(e) Mbeere North Constituency NGCDF Contacts**

Telephone: (254) 700 014 587  
E-mail: [cdmbeerenorth@ngcdf.go.ke](mailto:cdmbeerenorth@ngcdf.go.ke)  
Website: [www.mbeere-north.ngcdf.go.ke](http://www.mbeere-north.ngcdf.go.ke)

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

---

**(f) Mbeere North Constituency NGCDF Bankers**

Cooperative Bank of Kenya  
Siakago Branch  
P.O. Box 193-60104  
Siakago.

**(g) Independent Auditors**

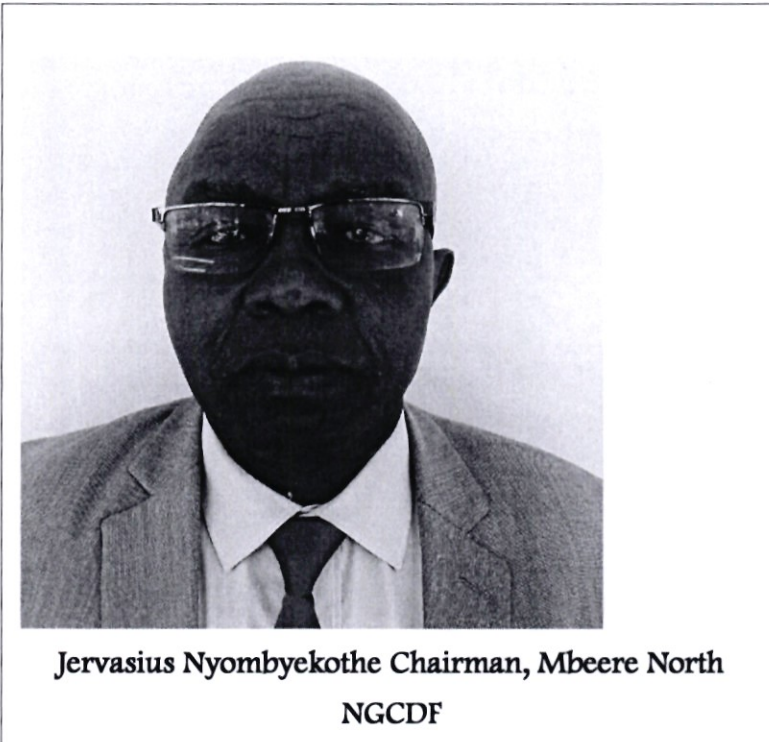
Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(h) Principal Legal Adviser**

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



**3. NG-CDFC Chairman's Report**

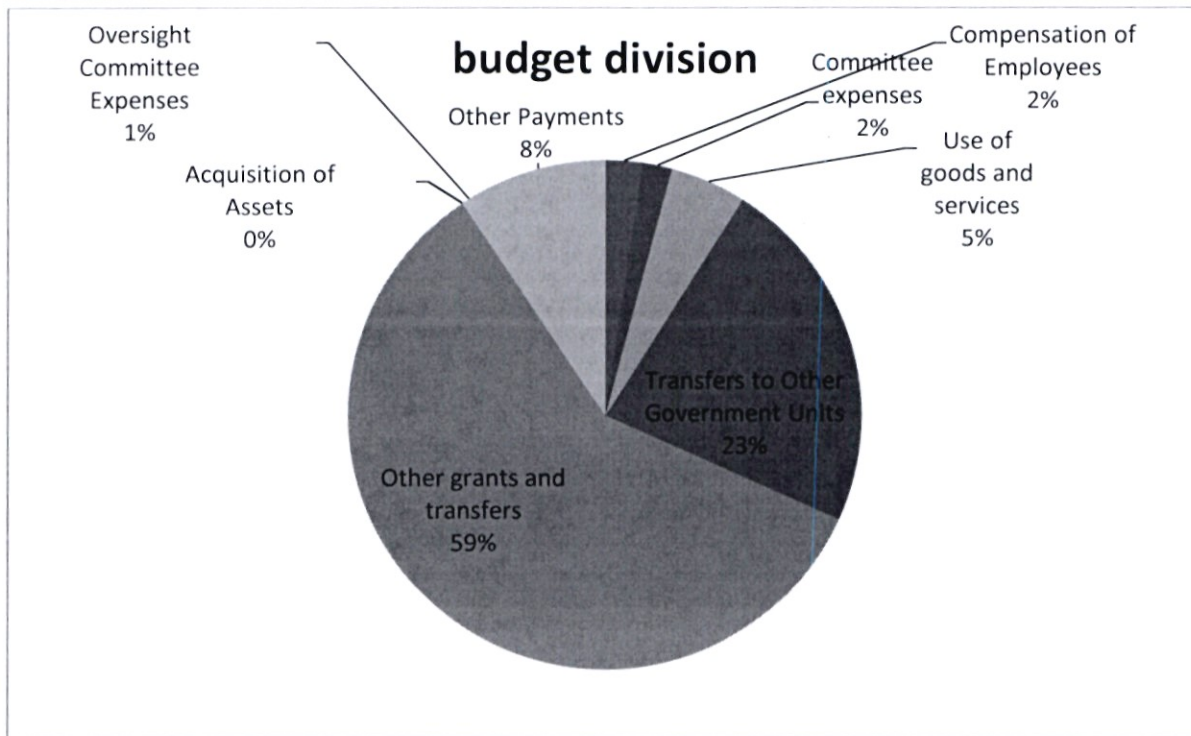


**Introduction**

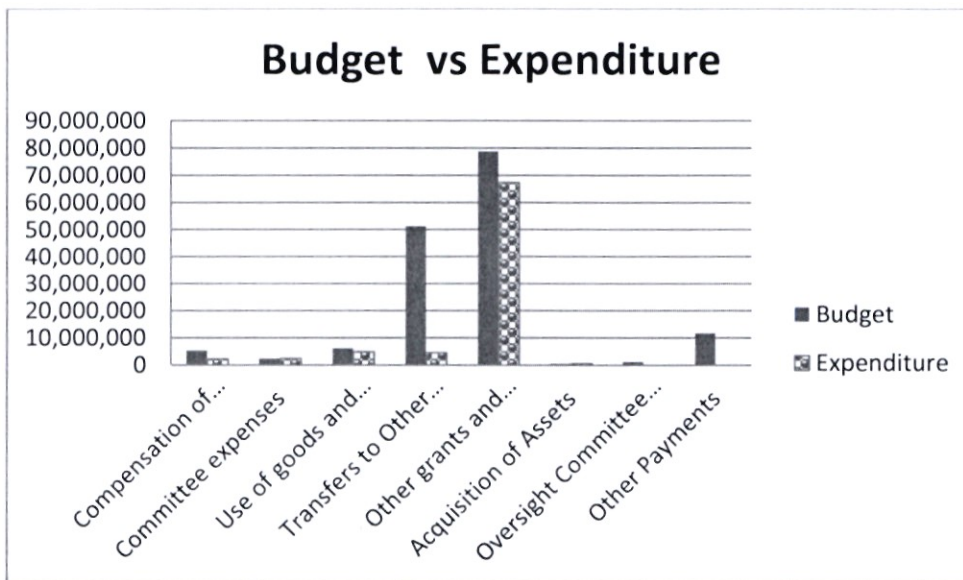
We are pleased to present the unaudited financial statements for the financial year ended 30th June, 2023. During the year, the Constituency was allocated a total of Kshs. 131,342,462 normal allocation. The opening cashbook balance was Kshs. 12,766,154. Unfunded projects opening balances was Kshs. 16,000,000. No Appropriation in Aid (AIA) was raised owing to less non implementation of new projects.

Below is a graphical presentation of original budget allocation:

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



Below is a graphical presentation of budget utilization



**Key Achievements**

1. The funds available for utilization in the implementing of various projects during the financial year 2022/2023 was Kshs.92,766,154, represented as;

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

---

	<u>Kshs.</u>
Opening Cashbook Balance	12,766,154
Receipts from the NGCDF Board	<u>80,000,000</u>
Available funds	<u>92,766,154</u>

The entity managed to utilise Kshs. 82,390,629 out of the available funds, representing an absorption rate of 89%.

This was a commendable achievement bearing in mind that the NGCDFC was fully constituted in March, 2023.

2. During the current financial year, the entity managed to disburse bursaries worth Kshs. 66,081,000, reaching many deserving and vulnerable cases, a condition that had been made worse by insufficient rainfalls for the last four seasons. We managed to budget 48% of our total allocation to bursaries.



*The NASC Chairperson Hon. Musa Sirma, the NGCDF Board CEO Dr. Yusuf Mbuno join the area MNA Hon. Geoffrey Kiringa Ruku to issue bursary cheques at old Gitiburi location on the 18<sup>th</sup> March, 2023.*

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

---

3. The entity took over on-going projects worth about Kshs. 33 million from the previous NGCDFC. We plan to fund the on going projects in two batches, one during 2022/2023 financial year whereby on going projects worth Kshs. 15,221,000 have been funded. The Mbeere North NGCDFC will allocate enough funds during the financial year 2023/2024 to implement to completion all the on going projects it took over from the previous NGCDFC. The NGCDFC cleared balances owing for school buses of both Itiira and Ngoce Secondary schools.



Siakago Day Secondary School Bus fully funded by Mbeere North NGCDF financial years 2019/2020, 2020/2021 and 2021/2022

**Emerging issues related to the entity**

Currently there are a number of emerging issues that the office needs to put into consideration as we implement and prepare budget proposals for the projects. They include;

1. Strict adherence to regional balancing while allocating projects.
2. Matters dealing with gender mainstreaming and special groups in our operations.
3. The constituency is the second producer of miraa in the country, this posing big challenge in school dropouts and substance abuse.
4. Matters of environmental conservations and sustainability.
5. Proper guidance and adherence to the presidential directives.

**Implementation challenges and recommended way forward;-**

The current Mbeere North NGCDFC, being pretty new to matters relating to allocation and administration of the kitty, has faced quite some challenges;

**Challenges;-**

1. Some regions and Institutions had never received funding from NG-CDF since its inception. These required consideration in the new dispensation.
2. Due to failed rains in the past five seasons, most of the household have been quite exposed and issues concerning education have taken the back stage.
3. Quite a considerable number of Institutions are in deplorable state and require urgent renovations and or putting up of new structures.
4. The approval of the project proposal for 2022/2023 by the NGCDF Board took more time than reasonable expected to dispense. The entity could only implement the vetting and granting of bursaries, since no other funds were available for absorption.
5. An evidently overwhelmed public Works office leading to delays in preparation of necessary required documents relating to project implementation.
6. Inadequate administrative funds to properly vet and administer bursary.

**Way forward;-**

1. The NG-CDFC, in line with the constituency strategic plan and public participation forums, give priority funding to the Institutions and regions not previously funded by NGCDF.

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

---

2. There is urgent need for the NG-CDFC to prioritise funding for rehabilitate Institutions as well as support to education sector.
3. The budget ceilings for allocating bursary funds should be increased.
4. The NGCDF Board should device ways of approving and releasing funds for those projects that have been cleared and require no further clarification, as opposed to waiting for all projects to be cleared before approving. This is because a single un cleared item may hold the rest of the projects code list for long.
5. The NGCDF Board may request the Ministry to consider posting adequate human resource to public works offices in every Sub county.
6. Treat Bursary funds as a project with a PMC and be able to charge 5% administrative costs to safe guard pressure on 6% administration and recurrent costs vote.

**Closing**

I take this opportunity to sincerely thank the MNA, NGCDF Board, FAM, NGCDFC members, the staff, PMCs and other stake holders for the cooperation and support accorded so far. Going forward, the Committee envisions achieving greater developmental milestone as we embark on meeting our performance targets for FY 2023/2024, 100%.

**I do urge the Government to consider allocating more funds to NG-CDF from the 2.5% of the total revenue to 5%.**



JERVASIUS NYOMBYEKOTHE  
**CHAIRMAN NGCDF COMMITTEE**

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

##### **Introduction**

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

The key development objectives of **Mbeere North Constituency** 2018-2022 plan are to:

- a) Ensure that systems are established to ensure equality of all users of public services is achieved.
- b) Ensure that systems are established for equality for all users of public services;
- c) Ensure impartiality and fairness in the process of delivery of public services;
- d) Ensure promotion of National Cohesion and National Values;
- e) Ensure continuity of public services under all circumstances;
- f) Establish systems to enable innovativeness and Adaptability of public services to the needs of users;
- g) Ensure professionalism and ethics in Public Service is achieved and maintained;
- h) Establish systems to ensure promotion and protection of rights of users of public services and public servants as enshrined in the Bill of Rights;
- i) Institutionalize a culture of accountability, integrity, transparency and promotion of values and principles of public service;
- j) Ensure a corruption free public service;
- k) Ensure effective, efficient and responsible use of public resources, and
- l) Ensure responsiveness by NG-CDF staff in delivery of public services.

##### **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:

No	Strategic Theme	Strategic Objective	Strategies
----	-----------------	---------------------	------------

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

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 new classrooms in various primary and secondary schools in the constituency
			Construction and equipping of modern administration blocks
			Construction and equipping of dining halls and kitchens for both secondary and primary schools
			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 / or and exhaustible pit latrines in both primary and secondary schools
			Provision of convenient school transport
			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



No	Strategic Theme	Strategic Objective	Strategies
			devolved funds
			Funding of youth sporting initiatives (e.g. football, net ball and 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
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
			Construction and equipping of the divisional police headquarters Siakago
6	Tracking of results	To improve tracking of implementation NGCDF programmes	Monitoring and Capacity Building of NGCDFC's, NGCDFC Staff 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 NGCDF	Preparation of Constituency Strategic Plan
			NGCDFC Staff training
			Purchase of working tools and equipment

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

No	Strategic Theme	Strategic Objective	Strategies
		office	

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	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	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - Number of bursary beneficiaries at all levels	During the F/Y 2022/2023, we distributed bursaries to 10,613 beneficiaries totalling to Kshs. 63,912,000.
Security	To have a secure and conducive environment	-Enhanced economic growth through better security to private investments, infrastructural projects and personal property. -Reduced dependency on miraa business as the major means of livelihood,	Numbers of usable physical infrastructure build in police lines and provincial administration offices.	-Security works not done awaiting approval of projects by the Board

		sustainability of infrastructure		
Environment	To provide and sustain a clean Environment	-Maintain a healthy population with reduced cases of sickness. -Reduce deforestation through planting of more trees. -Control soil erosion	Number of trees seedlings planted in various public Institutions	In the financial year 2022/2023 we planted 65,277 trees in 97 primary schools, 45 secondary schools, 3 tertiary Institutions and DCC Office for distribution to ACCs and chiefs offices.
Sports	-To empower the population through sporting activities -Improve on national cohesion by integration in sports	-Nature sporting talents amongst different age groups. -Present sports as an alternative income generating activity	-Organise and sustain various constituency sporting activities throughout the year -Provide sporting equipment and uniforms to well performing teams.	-No sporting activities took place awaiting release of funds from the Board
Disaster Management	To put in place mechanism to mitigate disaster	-well equipped population in disaster preparedness. -Reduced numbers of/ or non-recurrence of disasters	-Provision of emergency funds to cushion the constituency against an emerging calamities affecting national government infrastructure. -Capacity build PMCs, NGCDFCs,	-Kshs. 750,000 was spent on one project of emergency nature, Mungau Primary School. Last year we spent Kshs. 4.2 M on the same. -All trainings for PMCs, NGCDFC staff and NGCDFC plus public forums had facilitator

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

			<p>NGCDFC staff on disaster mainstreaming.</p> <p>-Ensure implementation of infrastructure puts into consideration of disaster.</p>	<p>for disaster mainstreaming.</p>
--	--	--	---	------------------------------------

## **5. Governance Statement**

### **Introduction**

The NGCDF Act 2016 on appointment of NGCDFC members' states;

1. The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. 1951 Kenya Subsidiary Legislation, 2016.
2. A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.
3. Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.
4. The selection panel referred to in paragraph (1) shall consist of—
  - one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
  - the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
  - Two persons, one of either gender, nominated by the Constituency office.
5. The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.
6. The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act
7. The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.
8. The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.
9. The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.
10. The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

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

---

11. The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette. 1952 Kenya Subsidiary Legislation, 2016

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

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

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

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

Mbeere North NGCDF is managed by a team of ten (10) NGCDFC members appointed in accordance with the NGCDF Act 2015 as amended in 2022. The ten members comprise of seven gazetted members, a member coopted by the NGCDF Board, the deputy County commissioner and the officer of the Board at the constituency level who is an ex-officio member. The constituency got a new MNA following the national elections conducted country wide in August 2022. The existing NGCDFC was phased out and a new one selected.

The gazetted members were appointed in accordance with the NGCDF Act 2015. They comprise of two female members one who is a youth at the time of appointment and two male members one who is a youth at the time of appointment and one member who is a person living with disability and two nominees of the Constituency office. Five members were selected by a selection panel chaired by a nominee of the Deputy County Commissioner with the Officer of the board as the secretary. The Officer of the board invited applications from persons who qualify for appointment within fourteen of the first meeting of the selection panel. The panel considered all applications and selected five applicants considering age, gender social interest and regional balance. The officer of the board submitted the five qualified applicants to the board for approval and appointment. The board co-opted one person to ensure equity in representation in the committee. Through the National Assembly the constituency office nominated two persons of either gender and forwarded these names to the officer of the board at the constituency. All the names of the seven appointees were presented to parliament for approval and subsequent gazettelement.

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

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

Further the NG CDF regulations require that one to serve as member of the NGCDF committee he or she must be;

- i. Citizen of Kenya
- ii. ordinarily resident voter of the constituency
- iii. able to read and write and communicate in English and Kiswahili
- iv. meet the chapter six of the constitution
- v. available to participate in the activities of the constituency
- vi. for youth nominee he or she must have attained age of 18 years but below age of 35yrs and
- vii. for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

### **Appointment of NGCDFC Members**

#### **The selection Panel**

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

<b>SNO</b>	<b>NAME</b>	<b>DESIGNATION</b>
1	Moses Maloba	Chair Person
2	Richard M. Maingi	Secretary
3	James Kugoca	Member
4	Felister Kanini Ngari	Member

The selection panel, through an advertisement, invited interested and qualified members of the public for appointment to the NGCDF committee. The advertisement was publicized in churches, public offices notice boards and other public areas within the constituency during the month of September 2022.

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

<b>S/N</b>	<b>Name</b>	<b>Category representation</b>	<b>Ward</b>
1.	Daniel Mbogo Kiondo	Male (Adult)	Evurore
2.	Chelestine Njeru Njiru	Male (Youth)	Muminji
3.	Alice Njeri Njoroge	Female (Adult)	Nthawa
4.	Alicia Karimi Ngari	Female (Youth)	Nthawa

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

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

S/N	Name	Nature of physical Impairment	Ward
1.	James Njoka Njeru	Physical	Muminji

**Nominee of the constituency Office**

S/N	Name	Category	Ward
1	Anastasio Njeru Muthathai	Male Representative	Nthawa
2	Naomi Wanjagi Munene	Female Representative	Evurore

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

S/N	Name	Gender	Ward
1.	John Ngari Kiamati	Male	Evurore

Two members were however not forwarded to parliament for approval as they were existing civil servants. These were;

S/N	Name	Category representation	Ward
1.	Daniel Mbogo Kiondo	Male (Adult)	Evurore
2.	Chelestine Njeru Njiru	Male (Youth)	Muminji

The rest of the nominated NGCDF Members were gazetted through Gazette notice Special Issue Vol. No. 276 of 16<sup>th</sup> December, 2022.

The new NGCDF committee, though not fully constituted but having quorum, held its first meeting on the 5<sup>th</sup> January, 2023.

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

1. Chairperson position      James Njoka Njeru
2. Secretary position        Anastasio Njeru Muthathai

The above were to hold office as caretaker official awaiting the constitution of the full NGCDF committee.

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



**Mbèere North Constituency**

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

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

The selection panel, in the month of February, 2023, made other selection and forwarded the following nominees to fill the positions of the male adult and youth earlier not forwarded to parliament for approval;

NO	NAME	CATEGORY	WARD
1.	Jervasius Nyombyekothe Ngungi	Male (Adult)	Evurore
2.	Brian Wallen Muteti Njiru	Male (Youth)	Muminji

The above were gazetted through Gazette notice Special Issue Vol. No. 86 of 14<sup>th</sup> April, 2023.

The fully constituted NGCDFC convened a meeting on the 19<sup>th</sup> April, 2023 were by the caretaker chairman was replaced as tabulated here under;

Sno.	Name	Position
1	Jervasius Nyombyekothe Ngungi	Chair person
2	Anastasio Njeru Muthathai	Secretary
3	James Njoka Njeru	Member
4	John Ngari Kiamati	Member
5	Brian Wallen Muteti Njiru	Member
6	Alice Njeri Njoroge	Member
7	Alicia Karimi Ngari	Member
8	Naomi Wanjagi Munene	Member
9	Richard M. Maingi	FAM
10	Ann Mitema	DCC

**Removal of NGCDFC Members**

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

- i. Lack of integrity;
- ii. Gross misconduct;
- iii. Embezzlement of public funds;
- iv. Bringing the committee into disrepute through unbecoming personal public conduct;
- v. Promoting unethical practises;
- vi. Causing disharmony within the committee;
- vii. Physical or mental infirmity.

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

---

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. No NGCDFC member has been found to have contravened the laid down regulations and law to warrant removal from Mbeere North NGCDFC.

**Roles and functions of NG-CDFC**

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

1. Hold public meetings in every ward in the constituency to deliberate to on development matters.
2. Deliberate on project proposals and any other projects considers beneficial to constituency.
3. List of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
4. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
5. Ensure that all projects receive adequate funding and are completed within three years.
6. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
7. 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.
8. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
9. Enter into performance contracting with the Board on an annual basis.

**Training of NG-CDFC Members**

During the financial year 2022/2023 the NGCDF Board organized training of NGCDFC members. The training covered critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of Mbeere North NGCDF. However, the entity will prioritise a training session mainly to sensitise members on performance contracting as the critical area of overall engagement with the NGCDF Board.

**Number of meetings held**

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

During the financial year 2022/2023 the NGCDFC held 21 meetings throughout the year, 2 being for the previous committee while 19 for the current committee as illustrated below;

**Schedule of meetings held during the FY 2022/2023**

<b>S.No</b>	<b>Date</b>	<b>Particulars</b>	<b>Members Present</b>
1	5 <sup>th</sup> Jan, 23	NGCDFC Meeting	8
2	6 <sup>th</sup> Jan, 23	NGCDFC handover	8
3	27 <sup>th</sup> Jan, 23	NGCDFC Meeting	8
4	22 <sup>nd</sup> Feb, 23	NGCDFC Meeting	8
5	27 <sup>th</sup> Feb, 23	Bursary, old Kiangombe location	8
6	28 <sup>th</sup> Feb, 23	NGCDFC Meeting	8
7	3 <sup>rd</sup> Mar, 23	Bursary, Old Gitiburi Location	8
8	3 <sup>rd</sup> Mar, 23	Bursary, Old Nthawa Location	8
9	4 <sup>th</sup> Apr, 23	Bursary, Old Muminji Location	8
10	4 <sup>th</sup> Apr, 23	Bursary, Old Kirie Location	8
11	30 <sup>th</sup> Mar, 23	Bursary, Old Kanyuambora Location	8
12	30 <sup>th</sup> Mar, 23	Bursary, Old Ishiara Location	8
13	30 <sup>th</sup> Mar, 23	Bursary, Old Ndurumori Location	8
14	6 <sup>th</sup> Apr, 23	Executive	3
15	19 <sup>th</sup> Apr, 23	NGCDFC Meeting	10
16	4 <sup>th</sup> May, 23	Executive	3
17	19 <sup>th</sup> May, 23	NGCDFC Meeting	10
18	15 <sup>th</sup> Jun, 23	NGCDFC Meeting	8
19	29 <sup>th</sup> Jun, 23	Executive	3

**Ethics & conduct**

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

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

---

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

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

**Members remuneration**

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance of Ksh.7,000 per meeting and all other members an allowance of Ksh.5,000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

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

**Disclose policy on conflict of interest**

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

**Risk management**

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

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

*Mbèere North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---

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

## **6. Environmental and Sustainability Reporting**

### **Introduction**

Mbeere North NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

### **1. Sustainability strategy and profile -**

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

- a. **Education and Training:** Mbeere North 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.

## **2. Environmental performance**

- The year under review witnessed conservation of environment efforts through planting of trees and established a mechanism to ensure their sustainability throughout the drier seasons. Tree planting exercise is usually done during the onset of the short rains.
- During these community forums like tree planting exercise, public participation in project proposals, NGCDFC/ PMC trainings and public sensitization forums, various speakers facilitate and disseminate valuable knowledge touching on various social topics like alcohol and drug abuse, HIV and AIDs, Gender mainstreaming, Disaster preparedness etc.
- The entity is now constructing exhaustible pit latrines in place of the normal pit latrines. We are implementing bio digesters in place of ordinary septic tanks.
- We plan to give the NG-CDF staff at least one day every financial year to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Mbeere North 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. Mbeere North constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

#### **4. Market place practices-**

Mbeere North 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 are enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

Mbeere North 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.

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

**FUND ACCOUNT MANAGER  
MBEERE NORTH NG-CDF**

Richard M. Maingi

Fund Account Manager.

## **7. Statement Of Management Responsibilities**

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

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


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

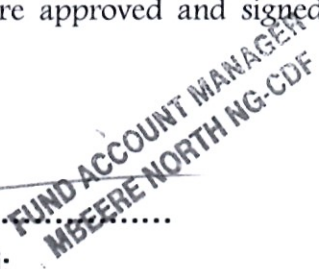
**Approval of the financial statements**

The NGCDF Mbeere North Constituency financial statements were approved and signed by the Accounting Officer on 14<sup>TH</sup> September, 2023.

  
.....  
**Jervasius Nyombyekothe:**  
Chairman – NGCDF Committee



  
.....  
**Richard M. Maingi:**  
Fund Account Manager



# REPUBLIC OF KENYA



Telephone: +254-(20) 3214000  
E-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 - MBEERE NORTH 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 that the 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

#### Adverse Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Mbeere North Constituency set out on pages

1 to 55, which comprise of the statement of assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund - Mbeere North 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 do not comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Adverse Opinion**

#### **1. Unexplained Variance in Opening Fund Balance**

The statement of assets and liabilities reflects a comparative balance of Kshs.24,120,884 in respect of fund balance as disclosed in Note 15 to the financial statements. However, the balance differs with the balance of Kshs.25,402,324 reflected in the previous year's audited financial statements by an unexplained variance of Kshs.1,281,440.

In the circumstances, the accuracy and completeness of the comparative fund balance of Kshs.24,120,884 could not be confirmed.

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

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee balances of Kshs.9,809,124 (2021-2022: Kshs.21,684,765). However, the following balances differed with the balances reflected in the audited financial statements:

<b>Project Management Committee</b>	<b>Financial Statements 2022-2023 Kshs.</b>	<b>Audited Financial Statements 2021-2022 Kshs.</b>	<b>Variance Kshs.</b>
Mbarwari Primary School	1,410	1,610	(200)
Mbeere North NGCDF Office Equipment	1,635	0	1,635
Mbeere North NGCDF Office	1,610	993	617
Mbeere North Environment	993	1635	(642)

Further, the bank reconciliation statements, certificate of bank balances and cash books for the PMC bank accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC balance of Kshs.9,809,124 could not be confirmed.

### **3. Unsupported Expenditure on Committee Allowances**

The statement of receipts and payments reflects an amount of Kshs.2,490,000 in respect of committee expenses as disclosed in Note 5 to the financial statements. However, the amount includes Kshs.994,000 whose payment vouchers were not provided for review. Further, payment vouchers amounting to Kshs.1,537,000 were neither included in the reported amount nor supported by requisitions, approvals, budget, minutes and notices of the meetings attended.

In the circumstances, the accuracy and completeness of the expenditure on committee allowances of Kshs.2,490,000 could not be confirmed.

### **4. Unsupported Transfers to Primary Schools**

The statement of receipts and payments reflects an amount of Kshs.4,574,500 in respect of transfers to other Government units which, as disclosed in Note 7 to the financial statements, includes an amount of Kshs.4,050,000 transferred to various primary schools for projects implementation. However, physical inspection conducted during the month of March, 2024 revealed that no project was carried out in the sampled four schools during the year under review. Further, Management did not provide the project files containing PMC minutes of the projects, Bills of Quantity, site handing-over reports, taking-over reports and inspection reports.

In the circumstances, the accuracy and completeness of the transfers to other Government units of Kshs.4,574,000 could not be confirmed.

### **5. Unsupported Gratuity Balance**

The statement of assets and liabilities reflects a balance of Kshs.1,973,892 in respect of gratuity as disclosed in Note 14B to the financial statements. However, Management did not provide breakdown, payment vouchers and ledger to support the balance.

In the circumstances, the accuracy and completeness of the gratuity balance of Kshs.1,973,892 could not be confirmed.

### **6. Unsupported Bursary Disbursements**

The statement of receipts and payments reflects an amount of Kshs.67,381,000 in respect of other grants and transfers which, as disclosed in Note 8 to the financial statements, includes amounts of Kshs.64,906,600, Kshs.380,000 and Kshs.794,400 in respect of bursary disbursements to secondary, tertiary and special institutions, respectively. However, acknowledgment letters for disbursement totalling Kshs.43,381,000 were not provided for audit.

In the circumstances, the accuracy and completeness of other grants and transfers amounting to Kshs.43,381,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Mbeere North 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 adverse opinion.

### **Emphasis of Matter**

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

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.160,108,616 and Kshs.92,766,154 respectively, resulting to under-funding of Kshs.67,342,462 or 42% of the budget. However, the Fund spent an amount of Kshs.82,390,629 against actual receipts of Kshs.92,766,154 resulting to an underutilization of Kshs.10,375,525 or 11% of the actual receipts.

The under-funding and under-utilization affected implementation of 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

#### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised under Emphasis of Matter and Lawfulness and Effectiveness in Use of Public Resources. However, Management has not resolved the issues.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Non-Compliance with the Financial Reporting**

The financial statements presented for audit were not yet prepared in accordance with the financial reporting template issued by the Public Sector Accounting Standards Board. This is contrary to Section 81(3) of the Public Finance Management Act, 2012 which required the accounting officer to prepare the financial statements in a form that compiles with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

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

### **2. Excess Staff**

Review of the payroll provided for audit revealed that the Fund employed seven (7) employees contrary to the National Government Constituencies Development Fund Board Circular of 24 June, 2013 that states that the committee may employ staff not exceeding five (5) in number and such staff shall have knowledge in construction, basic accounting and Information, Communication and Technology.

In the circumstances, Management was in breach of the Board Circular.

### **3. Over-Expenditure of Bursary Funds**

Note 8 to the financial statements reflects Kshs.67,381,000 in respect to other grants and other transfers which includes Kshs.64,906,600, Kshs.380,000 and Kshs.794,400 in respect of bursary transfers to secondary, tertiary institutions and special schools respectively all totalling Kshs.66,081,000. However, expenditure on bursary was at 82% of the total receipts of Kshs.80,000,000 contrary to Section 48 of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which states that projects shall not be allocated more than 35% of the total funds allocated for the constituency in any financial year.

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

### **4. Failure to Open Deposit Holding Account**

The Fund did not open a deposit holding account as required by Section 7(1)(A) of the National Government Constituencies Development Fund (Amendment) Act, 2022 which provides that each constituency shall open one deposit account for holding third party monies which shall so be designated and such an account shall be known by the name of the constituency for which it is opened.

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

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



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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Failure to Appoint Bursary Sub-Committee**

During the year under review, Management failed to appoint a sub-committee to manage the bursary scheme. This was contrary to the National Government Constituencies Development Fund Board circular of 13 September, 2010 which requires a sub-committee of Constituencies Development Fund Committee be formed to manage the bursary scheme including two (2) bursary co-opted members one who must be the area education officer or an officer seconded from the ministry.

In the circumstances, internal controls in bursaries management could not be confirmed in the absence of a bursary sub-committee.

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

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

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may

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


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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

18 June, 2024

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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	80,000,000	169,777,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	47,000
<b>Total Receipts</b>		<b>80,000,000</b>	<b>169,824,758</b>
<b>Payments</b>			
Compensation of Employees	4	2,317,175	2,436,304
Committee expenses	5	2,490,000	-
Use of Goods and Services	6	5,021,884	13,916,752
Transfers To Other Government Units	7	4,574,500	123,500,000
Other Grants and Transfers	8	67,381,000	43,135,893
Acquisition Of Assets	9	606,070	-
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>82,390,629</b>	<b>182,988,949</b>
<b>Surplus/(Deficit)</b>		<b>(2,390,629)</b>	<b>(13,164,191)</b>

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

The Constituency financial statements were approved by the NGCDFC on 14<sup>TH</sup> September, 2023 and signed by:

Fund Account Manager

Richard M. Maingi

National Sub-County  
Accountant

Faith N. Magiri  
ICPAK M/No: 17990

Chairman NG-CDF  
Committee

Jervasius Nyombyekothe



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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	10,547,177	12,766,154
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>10,547,177</b>	<b>12,766,154</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>10,547,177</b>	<b>12,766,154</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	1,973,892	520,800
<b>Total Financial Liabilities</b>		<b>1,973,892</b>	<b>520,800</b>
<b>Net Financial Assets</b>		<b>8,573,285</b>	<b>12,245,354</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	12,245,354	25,402,324
Prior Year Adjustments	16	(1,281,440)	7,220
Surplus/(Deficit)for The Year		(2,390,629)	(13,164,191)
<b>Net Financial Position</b>		<b>8,573,285</b>	<b>12,245,354</b>

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

The Constituency financial statements were approved by NG CDFC on 14<sup>TH</sup> September, 2023 and signed by:

Fund Account Manager

Richard M. Maingi

National Sub-County  
Accountant

Faith N. Magiri

ICPAK M/No: 17990

Chairman NG-CDF Committee

Jervasius Nyombyekothe



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


	Notes	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	80,000,000	169,777,758
Other Receipts	3	-	47,000
<b>Total Receipts</b>		<b>80,000,000</b>	<b>169,824,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,317,175	2,436,304
Committee Expenses	5	2,490,000	-
Use Of Goods and Services	6	5,021,884	13,916,752
Transfers To Other Government Units	7	4,574,500	123,500,000
Other Grants and Transfers	8	67,381,000	43,135,893
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>81,784,559</b>	<b>182,988,949</b>
<b>Total Receipts Less Total Payments</b>		<b>(1,784,559)</b>	<b>(13,164,191)</b>
Adjusted For:			
Prior Year Adjustments	16	-	7,220
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	171,652	520,800
<b>Net Cash Flow from Operating Activities</b>		<b>(1,612,907)</b>	<b>(12,636,171)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	(606,070)	-
<b>Net Cash Flows from Investing Activities</b>		<b>(606,070)</b>	<b>-</b>
Net Increase In Cash And Cash Equivalentents		<b>(2,218,977)</b>	<b>(12,636,171)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>12</b>	<b>12,766,153</b>	<b>25,402,324</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>12</b>	<b>10,547,176</b>	<b>12,766,153</b>

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

---



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

The Constituency financial statements were approved by NG CDFC on 14<sup>TH</sup> September, 2023 and signed by:

  
**FUND ACCOUNT MANAGER**  
**MBEERE NORTH NG-CDF**

Fund Account Manager

Richard M. Maingi

National Sub-County  
Accountant

Faith N. Magiri

ICPAK M/No: 17990

  
**CHAIRMAN NG-CDF COMMITTEE**

Chairman NG-CDF Committee

Jervasius Nyombyekothe





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

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	2022-2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>							
Transfers From NGCDF Board	131,342,462	12,766,154	16,000,000	160,108,616	92,766,154	67,342,462	<b>57.9%</b>
Proceeds From Sale of Assets	0	-	-	-	-	-	0.0%
Other Receipts	0	-	-	-	-	-	0.0%
<b>Totals</b>	<b>131,342,462</b>	<b>12,766,154</b>	<b>16,000,000</b>	<b>160,108,616</b>	<b>92,766,154</b>	<b>67,342,462</b>	<b>57.9%</b>
<b>Payments</b>							
Compensation Of Employees	3,022,065	2,396,865	56,037	5,474,967	2,317,175	3,157,792	42.3%
Committee Expenses	2,490,000			2,490,000	2,490,000	-	100.0%
Use Of Goods and Services	6,308,756	-	-	6,308,756	5,021,884	1,286,872	79.6%
Transfers To Other Government Units	29,821,000	7,927,028	13,574,500	51,322,528	4,574,500	46,748,028	8.9%
Other Grants and Transfers	77,334,270	1,472,239	-	78,806,509	67,381,000	11,425,509	85.5%
Acquisition Of Assets	0	533,313	73,000	606,313	606,070	243	100.0%
Oversight Committee Expenses	1,313,425	-	-	1,313,425	-	1,313,425	0.0%
Other Payments	11,052,946	101,261	659,463	11,813,670	-	11,813,670	0.0%
Funds Pending Approval**	0	335,448	1,637,000	1,972,448		1,972,448	0.0%
<b>Totals</b>	<b>131,342,462</b>	<b>12,766,154</b>	<b>16,000,000</b>	<b>160,108,616</b>	<b>82,390,629</b>	<b>77,717,987</b>	<b>51.5%</b>

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

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

**Explanatory Notes.**

- i. Revenue has been adjusted by;
  - a) Allocations receivables from NGCDF Board relating to the previous financial years carried forward to the current year, Kshs. 16 M.
  - b) Opening balance Kshs. 12,766,154.
- ii. The receipts from the Board were Kshs. 80 M representing 62% of expected funds. Operational challenges resulting from clarifications sought by the Board on the project proposal for 2022/2023 affected the rate of absorption of the funds.
- iii. Compensation of employees absorbed Kshs. 2.3 M representing a 47% absorption rate. The un utilized funds largely represent allowance for gratuity as well as funds yet to receive from the Board.
- iv. Use of Goods and Services utilized about 5.0 M representing 80% usage rate. This can be attributed to intense bursary schedules and exercise that saw the NGCDFC taking the lead role in vetting, analyzing, awarding and distribution of the bursary cheques.
- v. Transfers to Other Government Units utilized Kshs. 4.5 M representing a 9% absorption rate. Operational challenges resulting from clarifications sought by the Board on the project proposal for 2022/2023 affected the rate of absorption of the funds.
- vi. Other Grants and Transfers utilized Kshs. 67.4 M representing a 86% absorption rate mainly bursary related expenditure.
- vii. Other Payments were not done as we awaited their approval by the Board.

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	77,717,987
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	67,342,462
	10,375,525
Increase/(decrease)Accounts payable	171651.96
(Decrease)/IncreaseAccounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalentents at the end of the 30 <sup>th</sup> June 2023	<b>10,547,177</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 14<sup>TH</sup> September, 2023 and signed by:

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

FUND ACCOUNT MANAGER  
MBEERE NORTH NG-CDF

Fund Account Manager

Richard M. Maingi

National Sub-County Accountant

Faith N. Magiri

ICPAK M/No: 17990

Chairman NG-CDF Committee

Jervasius Nyombyekothe



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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,022,065	2,396,865	56,037	5,474,967	2,317,175	3,157,792
1.2 Committee allowances	1,792,000			1,792,000	1,792,000	-
1.3 Use of goods and services	3,066,482			3,066,482	2,703,453	363,029
<b>Total</b>	<b>7,880,547</b>	<b>2,396,865</b>	<b>56,037</b>	<b>10,333,449</b>	<b>6,812,628</b>	<b>3,520,821</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,520,000			1,520,000	1,256,036	263,964
2.2 Committee allowances	698,000			698,000	698,000	-
2.3 Use of goods and services	1,722,274			1,722,274	1,062,395	659,879
<b>Total</b>	<b>3,940,274</b>	<b>-</b>	<b>-</b>	<b>3,940,274</b>	<b>3,016,431</b>	<b>923,843</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	750,000			750,000	750,000	-
3.2 Secondary schools	-			-	-	-
3.3 Tertiary institutions	-			-	-	-
3.4 Security projects	-			-	-	-
3.5 Unutilised	6,886,190			6,886,190	500,000	6,386,190
<b>Total</b>	<b>7,636,190</b>	<b>-</b>	<b>-</b>	<b>7,636,190</b>	<b>1,250,000</b>	<b>6,386,190</b>
<b>4.0 Bursary and Social Security</b>						
4.1 Secondary Schools	40,074,520	718,927		40,793,447	64,906,600	(24,113,153)

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
4.2 Tertiary Institutions	18,000,000	600,412		18,600,412	380,000	18,220,412
4.3 Social Security	-	-		-		-
4.4 Special Needs	969,862	3,900		973,762	794,400	179,362
4.5 Schools Education Day	1,000,000			1,000,000	-	1,000,000
4.6 Schools Mocks	3,000,000			3,000,000	-	3,000,000
<b>Total</b>	<b>63,044,382</b>	<b>1,323,239</b>	<b>-</b>	<b>64,367,621</b>	<b>66,081,000</b>	<b>(1,713,379)</b>
<b>5.0 Sports</b>						
5.1	2,626,849	99,000		2,725,849	-	2,725,849
<b>Total</b>	<b>2,626,849</b>	<b>99,000</b>	<b>-</b>	<b>2,725,849</b>	<b>-</b>	<b>2,725,849</b>
<b>6.0 Environment</b>						
Un Utilised	2,626,849			2,626,849	-	2,626,849
<b>Total</b>	<b>2,626,849</b>	<b>-</b>	<b>-</b>	<b>2,626,849</b>	<b>-</b>	<b>2,626,849</b>
<b>7.0 Primary Schools Projects</b>						
Cieria Primary School		850,000		850,000	850,000	-
Gachuriri Primary School	1,000,000			1,000,000	-	1,000,000
Gangara Primary School			850,000	850,000	-	850,000
Gitii Primary School	2,000,000			2,000,000	-	2,000,000
Itiira Primary School		850,000		850,000	850,000	-
Kageri Primary School		677,028		677,028	-	677,028
Karigiri Primary School	2,000,000			2,000,000	-	2,000,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Karimari Primary School	700,000			700,000	-	700,000
Kiamugongo Primary School		1,500,000		1,500,000	1,500,000	-
Kianjogu Primary School			1,000,000	1,000,000	-	1,000,000
Kianjogu Primary School	1,000,000			1,000,000	-	1,000,000
Kirie Primary School		850,000		850,000	850,000	-
Kwanduambogo Primary School			1,000,000	1,000,000	-	1,000,000
Mianjatiri Primary School	6,400,000			6,400,000	-	6,400,000
Mukororia Primary School			850,000	850,000	-	850,000
Rwanjeru Primary School			850,000	850,000	-	850,000
<b>Total</b>	<b>13,100,000</b>	<b>4,727,028</b>	<b>4,550,000</b>	<b>22,377,028</b>	<b>4,050,000</b>	<b>18,327,028</b>
<b>8.0 Secondary Schools Projects</b>						
Ciangera Secondary School	1,190,000			1,190,000	-	1,190,000
Cianthia Secondary School			500,000	500,000	-	500,000
Gangara Secondary School	881,000			881,000	-	881,000
Gangara Secondary School			1,000,000	1,000,000	-	1,000,000
Gikuyari Secondary School	1,000,000			1,000,000	-	1,000,000
Gitiburi Secondary School	500,000			500,000	-	500,000
Itiira Secondary School			262,250	262,250	262,250	-
Kabachi Secondary School	500,000			500,000	-	500,000
Kamigua Secondary School	1,500,000			1,500,000	-	1,500,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Kamwaa Secondary School	1,000,000			1,000,000	-	1,000,000
Kanyuambora Secondary School			1,000,000	1,000,000	-	1,000,000
Karambari Secondary School		200,000		200,000	-	200,000
Karambari Secondary School	500,000			500,000	-	500,000
Karangare Secondary School	1,000,000			1,000,000	-	1,000,000
Kathiga Gacheru Secondary School	1,500,000			1,500,000	-	1,500,000
Kiambere Complex			1,000,000	1,000,000	-	1,000,000
Kiambere Complex	150,000			150,000	-	150,000
Kune Secondary School	4,000,000			4,000,000	-	4,000,000
Muchonoke Secondary School		3,000,000		3,000,000	-	3,000,000
Muthanthara Secondary School	1,000,000			1,000,000	-	1,000,000
Ngoce Secondary School			262,250	262,250	262,250	-
Riandu Secondary School			2,000,000	2,000,000	-	2,000,000
Riandu Secondary School	1,000,000			1,000,000	-	1,000,000
Siakago Boys Secondary School			3,000,000	3,000,000	-	3,000,000
St. Magdalene School for the Deaf Riandu	1,000,000			1,000,000	-	1,000,000
<b>Total</b>	<b>16,721,000</b>	<b>3,200,000</b>	<b>9,024,500</b>	<b>28,945,500</b>	<b>524,500</b>	<b>28,421,000</b>
<b>9.0 Tertiary Institutions Projects</b>						
				-	-	-
<b>Total</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>10.0 Security Projects</b>						
Kirie Assistant County Commissioner office	600,000			600,000	-	600,000
Riandu Police Post	800,000			800,000	-	800,000
Nthawa chiefs office		50,000		50,000	50,000	-
<b>Total</b>	<b>1,400,000</b>	<b>50,000</b>	<b>-</b>	<b>1,450,000</b>	<b>50,000</b>	<b>1,400,000</b>
<b>11.0 Acquisition of assets</b>						
NG-CDF Office Motorcycle	-	533,313	73,000	606,313	606,070	243
<b>Total</b>	<b>-</b>	<b>533,313</b>	<b>73,000</b>	<b>606,313</b>	<b>606,070</b>	<b>243</b>
<b>12.0 Oversight Committee Expenses (itemize)</b>						
Committee allowances	600,000			600,000	-	600,000
Other Committee allowances	713,425		-	713,425	-	713,425
<b>Total</b>	<b>1,313,425</b>		<b>-</b>	<b>1,313,425</b>		<b>1,313,425</b>
<b>13.0 Other payments</b>						
NG-CDF Office		93,911	659,463	753,374	-	753,374
Rural Electrification authority	5,000,000			5,000,000	-	5,000,000
Mbeere North NGCDF Strategic Plan	4,000,000	7,350		4,007,350	-	4,007,350
NGCDF Office Registry	2,052,946			2,052,946	-	2,052,946
<b>Total</b>	<b>11,052,946</b>	<b>101,261</b>	<b>659,463</b>	<b>11,813,670</b>	<b>-</b>	<b>11,813,670</b>
<b>14.0 unallocated fund</b>						



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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Unapproved projects			1,637,000	1,637,000	-	1,637,000
AIA		301,000		301,000	-	301,000
PMC savings		34,448		34,448	-	34,448
<b>Total</b>	-	<b>335,448</b>	<b>1,637,000</b>	<b>1,972,448</b>	-	<b>1,972,448</b>
<b>Grand total</b>	<b>131,342,462</b>	<b>12,766,154</b>	<b>16,000,000</b>	<b>160,108,616</b>	<b>82,390,629</b>	<b>77,717,987</b>

*(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12*

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

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

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

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

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

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

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

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

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

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

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

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

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

**Unutilized Funds from PMCs.**

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

**External Assistance**

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

**b) Recognition of payments**

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

*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*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 xx June 20xx for the period 1<sup>st</sup> July 20XX to 30<sup>th</sup> June 20XX as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

*Significant Accounting Policies Continued*

**13. Subsequent Events**

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

**14. Prior Period 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.

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

**15. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
<b>NGCDF Board</b>	<b>Kshs</b>	<b>Kshs</b>
AIE NO. A 888907	8,000,000	
AIE NO. B 185180	7,000,000	
AIE NO. B 185459	6,000,000	
AIE NO. B 206032	5,000,000	
AIE NO. B 185717	15,000,000	
AIE NO. B 206480	12,000,000	
AIE NO. B205825	12,000,000	
AIE NO. B207587	15,000,000	
AIE NO. B105213		33,000,000
AIE NO. B105700		34,000,000
AIE NO. B105872		30,000,000
AIE NO. B128624		6,000,000
AIE NO. B128938		12,000,000
AIE NO. B154134		12,000,000
AIE NO. B164365		20,000,000
AIE NO. B155895		10,088,879
AIE NO. B155999		12,688,879
<b>TOTAL</b>	<b>80,000,000</b>	<b>169,777,758</b>

**2. Proceeds From Sale of Assets**

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



*Mbèere North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

---

**3. Other Receipts**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	44,000
Hire of plant/equipment/facilities	-	3,000
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>-</b>	<b>47,000</b>

*\*(Indicate any writebacks included in other receipts if applicable)*

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

*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries *	1,672,123	1,416,344
Basic wages of casual labour	135,000	-
<b>Personal allowances paid as part of salary</b>		
House Allowance	106,320	199,400
Transport Allowance	177,000	204,000
Responsibility allowance	-	2,800
Leave allowance	-	26,000
Gratuity to contractual employees	171,652	520,800
Employer Contributions Compulsory national social security schemes	55,080	66,960
<b>Total</b>	<b>2,317,175</b>	<b>2,436,304</b>

**5. Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	1,224,000	-
Other committee expenses	1,266,000	-
<b>Total</b>	<b>2,490,000</b>	-

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

*Notes To the Financial Statements (Continued)*

**6. Use of Goods and services**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	53,322	71,820
Communication, supplies and services	216,450	209,450
Domestic travel and subsistence	326,380	560,000
Printing, advertising and information supplies & services	599,930	500,000
Rentals of produced assets	-	-
Training expenses	1,319,100	2,522,000
Hospitality supplies and services	647,598	760,000
Other committee expenses	-	3,442,000
Committee allowance	-	1,940,000
Insurance costs	-	359,109
Specialized materials and services	-	-
Office and general supplies and services	179,310	329,900
Fuel, oil & lubricants	815,000	-
Other operating expenses	117,000	246,707
Bank Charges	50,000	-
Routine maintenance – vehicles and other transport equipment	375,644	2,175,766
Routine maintenance – other assets	322,150	800,000
<b>Total</b>	<b>5,021,884</b>	<b>13,916,752</b>

**7. Transfer To Other Government Units**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers To Primary Schools	4,050,000	36,150,000
Transfers To Secondary Schools	524,500	57,300,000
Transfers To Tertiary Institutions	-	30,050,000
<b>Total</b>	<b>4,574,500</b>	<b>123,500,000</b>

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

*Notes To The Financial Statements (Continued)*

**8. Other Grants and Other transfers**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools	64,906,600	18,129,720
Bursary – tertiary institutions	380,000	7,215,500
Bursary – special schools	794,400	511,000
Mock & CAT	-	-
Social Security programmes (NHIF)	-	-
Security projects	50,000	2,500,000
Sports projects	-	2,741,000
Environment projects	-	1,358,673
Emergency projects	1,250,000	10,680,000
Roads projects	-	-
<b>Total</b>	<b>67,381,000</b>	<b>43,135,893</b>

**9. Acquisition Of Assets**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	606,070	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>606,070</b>	<b>-</b>

**10. Oversight Committee Expenses**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	-	-

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

Other COC expenses	-	-
<b>TOTAL</b>	-	-

**11. Other Payments**

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

*Notes To The Financial Statements (Continued)*

**12. Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
Cooperative bank of Kenya, Siakago Branch A/C No: 01120051117000 ( <i>Main account</i> )	10,547,177	12,766,154
<i>Name of Bank, account No. (Deposits account)</i>	-	-
<b>Total</b>	<b>10,547,177</b>	<b>12,766,154</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

**13. Outstanding Imprests**

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

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

---

<i>Total</i>		-	-	-
--------------	--	---	---	---

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

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

*Notes to the Financial Statement Continued*

**14. Deposits and retention**

**14A. Retention**

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

**Deposits and Retentions aging analysis.**

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

**14B. Gratuity**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	1,802,240	1,281,440
Gratuity held during the year (B)	171,652	520,800
Gratuity paid during the Year (C)	-	-
<b>Closing Gratuity as at 30<sup>th</sup> June D= A+B-C</b>	<b>1,973,892</b>	<b>1,802,240</b>

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

**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2022-23)	(1 <sup>st</sup> July 2021-22)
	Kshs	Kshs
Bank accounts	12,766,154	25,402,324
Cash in hand		
Imprest		
<b>Total</b>	<b>12,766,154</b>	<b>25,402,324</b>
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	<b>12,766,154</b>	<b>25,402,324</b>

*[Provide short appropriate explanations as necessary]*

**16. Prior Year Adjustments**

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance**BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	25,402,324	(1,281,440)	24,120,884
Cash in hand	-	-	-
Imprests and advances	(-)	-	(-)
Deposits and retentions	-	-	-
Gratuity	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	<b>25,402,324</b>	<b>(1,281,440)</b>	<b>24,120,884</b>

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

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

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



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

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>KShs</b>	<b>KShs</b>
Deposit and Retentions as at 1 <sup>st</sup> July (A)	1,802,240	1,281,440
Deposit and Retentions held during the year (B)	171,652	520,800
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	1,973,892	1,802,240
<b>Net changes in accounts payables D-A</b>	<b>171,652</b>	<b>520,800</b>

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

*Notes To the Financial Statements (Continued)*

**19. Other Important Disclosures**

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

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

**Aging Analysis for Pending Accounts Payables**

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

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

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	520,800
Others ( <i>specify</i> )	-	-
<b>Total</b>	-	<b>520,800</b>

**Aging Analysis for staff Payables**

	2022-2023	% of the total	2021-2022	% of the total
Under one year	-	%	-	%
1-2 years	-	%	520,800	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		<b>520,800</b>	

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

**Other important disclosures (continued)**

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

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	3,157,792	1,928,402
Committee expense	-	
Use of goods and services	1,286,872	(331,073)
Amounts due to other Government entities (see attached list)	46,748,028	20,977,028
Amounts due to other grants and other transfers (see attached list)	11,425,509	1,803,312
Acquisition of assets	243	533,313
Oversight Committee Expenses	1,313,425	-
Other Payments (specify)	11,813,670	1,101,261
Funds pending approval	1,972,448	3,094,448
<b>Total</b>	<b>77,717,987</b>	<b>29,106,691</b>

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

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	9,819,218	21,684,765
<b>Total</b>	<b>9,819,218</b>	<b>21,684,765</b>

**19.5 Related Party Transactions**

	<b>2022-2023</b>	<b>2021-2022</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	1,224,000	-
<b>Total</b>	<b>1,224,000</b>	<b>-</b>
<b>Transaction with the NGCDF Board</b>		
Receipts from the NGCDF Board during the year	80,000,000	-
<b>Total</b>	<b>80,000,000</b>	<b>-</b>

20. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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

<b>Supplier of Goods or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance</b>	<b>Comments</b>
<b>Supply of services</b>					
10.	-	-	-	-	
<b>Sub-Total</b>	-	-	-	-	
<b>Grand Total</b>	-	-	-	-	

*Mbeere North Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*  
**Annex 2 - Analysis of Pending Staff Payables**

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

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

**Annex 3 – Unutilized Fund**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
<b>Compensation of employees</b>	Payment of Nine NG-CDFC staff Basic salaries plus NSSF, employee contribution and gratuity	<b>2,633,292</b>	<b>1,928,402</b>	Funds held in account as the activity is continuous in nature
<b>Committee allowances</b>				
<b>Use of goods &amp; services</b>	To facilitate costs of running the office	<b>1,286,872</b>	-	Funds held in account as the activity is continuous in nature
<b>Amounts due to other Government entities</b>				
<b>7.0 Primary Schools Projects</b>				
Cieria Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	-	850,000	Cheques done to release to the PMC
Gachuriri Primary School	Renovations to completion of four classrooms flooring, plastering, shutting and painting.	1,000,000		To receive funds from the Board
Gangara Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	850,000	850,000	Cheques done to release to the PMC
Gitii Primary School	Renovations to completion of Eight classrooms flooring, plastering, shutting and painting.	2,000,000		To receive funds from the Board
Itiira Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	-	850,000	Cheques done to release to the PMC

*Mbeere North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
Kageri Primary School	Fencing of the school 4 acres with chain link and concrete posts	677,028	677,028	Cheques done to release to the PMC
Karigiri Primary School	Renovations to completion of Eight classrooms flooring, plastering, shutting and painting.	2,000,000		To receive funds from the Board
Karimari Primary School	Completion of a six roomed Administration Block: To do plastering, flooring, painting, electrical, civil works and shutting.	700,000		To receive funds from the Board
Kiamugongo Primary School	Completion of laying of Water pipeline; 90mm GI pipes and 90mm UPVC pipes class PN16	-	1,500,000	Fully Implemented
Kianjogu Primary School	Additional funds for construction of a 60 bed low cost dormitory: Roofing and flooring	2,000,000	1,000,000	To receive funds from the Board
Kirie Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	-	850,000	Cheques done to release to the PMC
Kwanduambogo Primary School	Completion of a five roomed Administration Block walling from window level, plastering, shutting, ceiling, painting and floor.	1,000,000	1,000,000	Cheques done to release to the PMC
Mianjatiri Primary School	Construction to completion of eight classrooms using interlocking bricks	6,400,000		To receive funds from the Board
Mukororia Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	850,000	850,000	Cheques done to release to the PMC
Rwanjeru Primary School	Renovation and face lifting of 4 No. classrooms, plastering, flooring, painting and replacement of roofing iron sheets	850,000	850,000	Cheques done to release to the PMC
<b>8.0 Secondary Schools Projects</b>		-		To receive funds from the Board



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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
Cianger Secondary School	Completion of 200 student capacity Multipurpose hall: Half plastering interior walls, flooring, keying external walls, painting, electrical, fixing of doors and windows	1,190,000		To receive funds from the Board
Cianthia Secondary School	Completion of a nine roomed Administration Block, Plastering, flooring and painting	500,000	500,000	To release to PMC
Gangara Secondary School	Completion of 200 student capacity Multipurpose hall: Plastering interior walls, flooring, keying external walls, painting, electrical	881,000		To receive funds from the Board
Gangara Secondary School	Completion of 200 student capacity Multipurpose hall: Plastering interior walls, flooring, keying external walls, painting, electrical	1,000,000	1,000,000	Tendering to be done
Gikuyari Secondary School	Completion of a forty five student capacity Laboratory: Plastering, flooring, civil works, gas installation, windows and working tables.	1,000,000		To receive funds from the Board
Gitiburi Secondary School	Completion of a seven roomed Administration Block: fixing of interior doors, electrical works, and installation of 200 litres bio digester, glazing and painting.	500,000		To receive funds from the Board
Kabachi Secondary School	Completion of a forty five student capacity Laboratory: Flooring, install gas system and carry out civil works ( install waste pipes and water pipes)	500,000		To receive funds from the Board
Kamigua Secondary School	Completion of a forty five student capacity Laboratory: Flooring, installation work top tables, shutting,	1,500,000		To receive funds from the Board

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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
	painting, install gas system and carry out civil works.			
Kamwaa Secondary School	Additional funds for construction of a sixty bed capacity Dormitory: Plastering, flooring, electrical, shutting and painting	1,000,000		To receive funds from the Board
Kanyuambora Secondary School	Completion of a 80 bed capacity Dormitory plumbing, drainage, electrical Installations and painting	1,000,000	1,000,000	Reallocated to bursary secondary schools
Karambari Secondary School	Completion of a 200 capacity Multipurpose hall: Plastering, flooring, glazing, electrical works and painting	200,000	200,000	Insufficient funds
Karambari Secondary School	Completion of a 200 capacity Multipurpose hall: Plastering, flooring, glazing, electrical works and painting	500,000		To receive funds from the Board
Karangare Secondary School	Completion of a seven roomed Administration block: Plastering, flooring, shutting and painting	1,000,000		To receive funds from the Board
Kathiga Gacheru Secondary School	Evaluated works to completion of a 60 bed Dormitory: Plastering, flooring, painting, electrical, civil works and shutting	1,500,000		To receive funds from the Board
Kiambere Complex	Completion of a 80 bed capacity Dormitory plastering, painting and shutting	1,000,000	1,000,000	Pending approval
Kiambere Complex	Additional funds for construction of a 80 students capacity Dormitory: Glazing.	150,000		To receive funds from the Board
Kune Secondary School	Construction of a forty five (45) student capacity Science Laboratory: Foundation works, walling, roofing, Civil works, electricals and shutting	4,000,000		To receive funds from the Board
Muchonoke Secondary School	Construction of a seven roomed administration block to roofing level	3,000,000	3,000,000	Tendering complete, implementation to be done

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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
Muthanthara Secondary School	Additional funds for the construction of a forty five capacity Laboratory: Plastering, flooring, civil works, electrical, gas installation and construction of working tables.	1,000,000		To receive funds from the Board
Riandu Secondary School	additional funds for the completion of a 250 bed capacity one storied Dormitory: Electricals, civil works, painting and shutting	2,000,000	2,000,000	Change of contactor after termination of the original one
Riandu Secondary School	Completion of a 250 bed capacity one storied Dormitory: Electricals, civil works, painting and shutting	1,000,000		To receive funds from the Board
Siakago Boys Secondary School	Completion of a thirteen roomed storied Administration Block walling above lintel first floor, Roofing, plastering , shutting and painting	3,000,000	3,000,000	
St. Magdalene School for the Deaf Riandu	Completion of a forty five student capacity Laboratory: Gas installation and civil works	1,000,000		To receive funds from the Board
<b>Sub-Total</b>		<b>46,748,028</b>	<b>20,977,028</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>3.0 Emergency</b>				
3.5 Unutilised	To cater for any unforeseen occurrences in the constituency during the financial year	6,386,190	-	To reallocate unutilised funds
<b>4.0 Bursary and Social Security</b>				
4.1 Secondary Schools	Payment of bursary to needy students in secondary schools	(1,892,741)	-	Reallocated from Kanyuambora secondary school 1m, NGCDF Office

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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
				1m and Unallocated fund 938K
4.2 Tertiary Institutions	Payment of bursary to needy students in tertiary institutions	-	1,319,339	Vetting going on
4.3 Social Security		-	-	
4.4 Special Needs	Payment of bursary to needy students in special Schools	179,362	3,900	Vetting going on
<b>5.0 Sports</b>				
5.1 Constituency Sports	Carry out Constituency sports activities with the winning teams being presented with trophies, uniforms and sporting equipment	2,725,849	99,000	Sporting activities to commence in October 2023
<b>6.0 Environment</b>				
Un Utilised	Purchase and planting of 65,277 tree seedlings @ Kshs. 40.24 in 146 Institutions as per the attached listing.	2,626,849	-	To receive funds from the Board
<b>10.0 Security Projects</b>				
Nthawa chiefs office	Renovations of three roomed office; plastering, painting, roof replacement and flooring		50,000	Renovations done
Kirie Assistant County Commissioner office	Installation of Electrical wiring and civil works to a three roomed administration office block that were not in the original Bills of Quantities	600,000		To receive funds from the Board
Riandu Police Post	Additional funds for construction of Seven Roomed a Police Post: Plastering, flooring, electrical, painting and shutting	800,000		To receive funds from the Board
<b>Sub-Total</b>		<b>11,425,509</b>	<b>1,472,239</b>	
<b>Acquisition of assets</b>				

**Mbeere North Constituency**

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

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
NG-CDF Office Motorcycle	Purchase of a motor cycle YAMAHA DT175 (JAPAN) MTD-1006-041-16 TRAIL 2/4 STROKE 151-180 cc	243	533,313	The motorcycle has been purchased
<b>Oversight Committee Expenses(itemize)</b>				
Committee allowances	Payment of Oversight Committee Allowances	600,000		To receive funds from the Board
Other Committee allowances	Payment of other Oversight committee expenses	713,425		To receive funds from the Board
<b>Others (specify)</b>				
NG-CDF Office	Landscaping by putting two walls of 25 M X 4ft on the sloppy sides of the office grounds Kshs. 250,387.59 and planting of K-apple round the 120 M fence Kshs. 50,000.00	753,374	1,093,911	Reallocated to bursary secondary schools
Mbeere North NGCDF Strategic Plan	To facilitate in preparation, fact collection, designing, typesetting, printing and launching of Mbeere North Constituency strategic plan for the period between 2023-2027	4,007,350	7,350	To receive funds from the Board
Rural Electrification authority	Purchase and installation of transformer through Rural Electrification and Renewable Energy Corporation (REREC) matching fund in the following locations; Migaari Ndutori village, Muminji ward, Kambungu village, Evurori ward and Kambindi village, Nthawa ward	5,000,000		To receive funds from the Board
NGCDF Office Registry	Extension of NGCDFC office by creating a registry and Installation of a filling system, Kshs. 1,852,946 and Equipping	2,052,946		To receive funds from the Board

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

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2022-2023</b>	<b>Outstanding Balance 2021-2022</b>	<b>Comments</b>
	of the registry, One Unit Double work station 40k, Two office desk 1.8m 60k, Four Office chairs 80k, Two visitors' chairs 20k, total Kshs. 200,000			
<b>Sub-Total</b>		<b>13,127,338</b>	<b>1,634,574</b>	
<b>Funds pending approval</b>				
Unapproved projects	Pending approval	2,161,500	2,759,000	Pending approval
AIA	Pending approval	301,000	301,000	Pending approval
PMC savings	Pending approval	34,448	34,448	Pending approval
<b>Sub-Total</b>		<b>2,496,948</b>	<b>3,094,448</b>	
<b>Grand Total</b>		<b>77,717,987</b>	<b>29,106,691</b>	

*Mbeere North Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*  
**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2021-2022</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End 2022-2023</b>
Land	-	-	-	-
Buildings and structures	19,706,224	<b>2,499,162</b>		<b>22,205,386</b>
Transport equipment	6,700,653	606,070		<b>7,306,723</b>
Office equipment, furniture and fittings	4,001,260		<b>2,606,041</b>	<b>1,395,219</b>
ICT Equipment, Software and Other ICT Assets	412,590	<b>106,879</b>		<b>519,469</b>
Other Machinery and Equipment				-
Heritage and cultural assets				-
Intangible assets				-
<b>Total</b>	<b>30,820,727</b>	<b>3,212,111</b>	<b>2,606,041</b>	<b>31,426,797</b>

**Note**

Apart from the addition of transport equipment, the rest of assets showing movements during the financial year were **NOT** due to additions or disposals but rather reclassification of various asset items. The net effect of this reclassification to the total assets is Nil.

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
A.C.K. Emmanuel Cianthia Secondary School	Cooperative Bank, Siakago	1139407773500	65,726	65,726
A.C.K. Kamigua Mixed Day Secondary School	Cooperative Bank, Siakago	1139570095300	1,906	-
A.C.K. St. Luke Ciangera Secondary School	Cooperative Bank, Siakago	1139570010800	19,521	19,520
Arch Angels Secondary School-Kanyueri	Cooperative Bank, Siakago	1139570004800	520	520
Ciaikungugu Primary School	Cooperative Bank, Siakago	1139052736603	26,730	298,729
Ciangera Primary School PMC	Cooperative Bank, Siakago	1139052738602	1,099	1,099
Cianthia Primary School	Cooperative Bank, Siakago	1139570250100	3,560	3,560
Cianyi Primary School	Cooperative Bank, Siakago	1139051832100	2,287	2,286
Cieria Chiefs office	Cooperative Bank, Siakago	1141570105900	857	857
Cieria Primary School	Cooperative Bank, Siakago	1139570211000	1,136	1,135
DCC Office	Cooperative Bank, Siakago	1141570220900	2,707	2,707
F.G.C.K. Kamaua Primary School	Cooperative Bank, Siakago	1139570039400	1,495	1,495
Gacuriri Primary School	Cooperative Bank, Siakago	1139344451102	1,520	1,520
Gangara Primary School	Sidian Bank, Embu	1007030003638	1,001	314,001
Gangara Secondary School	Sidian Bank, Embu	1007030003598	80	140,140
Gatatha Primary School PMC	Sidian Bank, Embu	1007030003558	1,075	1,075
Gatothia Primary School	Cooperative Bank, Siakago	1139344640201	33,180	58,179



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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Gikuyari Primary School	Sidian Bank, Embu	1007030003938	23	23
Gikuyari Secondary School	Cooperative Bank, Siakago	1139344108102	38,602	38,602
Gikuyari Secondary School	Sidian Bank, Embu	1007030003928	6,403	6,403
Gitiburi Secondary School	Sidian Bank, Embu	1007030003708	1,780	787,096
Gitiburi Primary School	Sidian Bank, Embu	1007030003688	3,375	3,375
Gitii Primary School	Cooperative Bank, Siakago	1139570394700	2,020	2,020
Gwakaithi Primary School	Cooperative Bank, Siakago	1139570226701	74,893	37,466
Ibutuka Primary School	Cooperative Bank, Siakago	1139344119801	1,981	-
Iriaitune Chiefs office	Cooperative Bank, Siakago	1141570229200	505	505
Iri Primary School	Sidian Bank, Embu	1007030004526	29,855	29,855
Ishiara KMTC	Sidian Bank, Embu	1007030003168	2,111	18,231
Ishiara Social Hall	Cooperative Bank, Siakago	1141570052700	1,295	-
Itiira Primary School	Sidian Bank, Embu	1007030004326	825	825
Itiira Secondary School	Cooperative Bank, Siakago	1139051604602	131,566	826,566
Itiira Sub-Chief office	Cooperative Bank, Siakago	1141570127900	25	-
Itururi Primary School	Sidian Bank, Embu	1007030004346	398,975	398,975
Kabachi Primary School	Cooperative Bank, Siakago	1139052537801	1,440	-
Kabachi Secondary School	Cooperative Bank, Siakago	1139569163202	284,778	1,737,771
Kabubua Ka Nyama Police Post	Sidian Bank, Embu	1007030003788	1,017	611,189

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Kageri Primary School	Cooperative Bank, Siakago	1139570004400	3,290	-
Kamarindo Primary School	Sidian Bank, Embu	1007030002561	24,707	24,707
Kambaru Primary School	Sidian Bank, Embu	1007030004356	43	43
Kambaru Secondary School	Sidian Bank, Embu	1007030003538	917,091	917,091
Kambungu Primary School	Cooperative Bank, Siakago	1139052735504	83,372	83,372
Kamigua Primary School	Cooperative Bank, Siakago	1139570086700	2,855	862,555
Kamugu Sub Chiefs office	Sidian Bank, Embu	1007030004296	250	250
Kamukanya Primary School	Cooperative Bank, Siakago	1139570229700	1,002	1,002
Kamwaa Secondary School	Cooperative Bank, Siakago	1139570226600	120,503	120,503
Kanganga Primary School	Cooperative Bank, Siakago	1139570054001	3,220	850,720
Kanthenge Primary School	Sidian Bank, Embu	1007030002531	5,252	80,252
Kanyangi Primary School	Cooperative Bank, Siakago	1139570237600	1,000	1,000
Kanyuambora Chiefs Office	Cooperative Bank, Siakago	1141570064800	1,295	138,795
Kanyuambora Police Station PMC	Sidian Bank, Embu	1007030003828	5	5
Kanyuambora Primary School	Sidian Bank, Embu	1007030003838	84,790	-
Kanyuambora Secondary School	Cooperative Bank, Siakago	1139051033603	97,763	242,763
Karambari Primary School	Sidian Bank, Embu	1007030004576	855	855
Karambari Secondary School	Cooperative Bank, Siakago	1139344179502	1,615	388,614
Karangare Primary School	Sidian Bank, Embu	1007030004566	855	855

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Karangare Secondary School	Sidian Bank, Embu	1007030004106	160,143	548,217
Karigiri Primary School	Cooperative Bank, Siakago	1139052737401	21,629	21,628
Karigiri Secondary School	Cooperative Bank, Siakago	1139569250704	131,966	131,965
Karimari Primary School	Sidian Bank, Embu	1007030004366	12,085	761,205
Kathagutari Primary School	Cooperative Bank, Siakago	1139051163901	3,020	3,020
Kathera Assistant Chiefs office	Sidian Bank, Embu	1007030004586	155	155
Katheru Primary School	Cooperative Bank, Siakago	1139570005500	228	-
Kathiga Gaceru Secondary School	Cooperative Bank, Siakago	1139051697301	44,922	44,922
Kathitu Primary School	Sidian Bank, Embu	1007030004546	615	615
Kathutheri Primary School	Sidian Bank, Embu	1007030002541	17,469	17,469
Kavairi Primary School	Sidian Bank, Embu	1007030002551	21,375	21,375
Kavengeru Secondary School	Cooperative Bank, Siakago	1139569475900	18,200	18,199
Kavui Primary School	Cooperative Bank, Siakago	1139570053900	295,290	295,290
Kiamugongo Primary School	Cooperative Bank, Siakago	1139344523100	456,246	476,146
Kiamugongo Primary School	Sidian Bank, Embu	1007030004696	1,935	-
Kianamu Primary School	Cooperative Bank, Siakago	1139570393000	1,270	1,270
Kianganja Primary School	Sidian Bank, Embu	1007030002791	545	545
Kianjeru Primary School	Cooperative Bank, Siakago	1139569655600	48,575	48,578
Kianjeru Secondary School	Cooperative Bank, Siakago	1139570071000	72,246	72,245

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Kianjogu Primary School	Cooperative Bank, Siakago	1139344515000	19,830	414,180
Kianjoya Primary School	Cooperative Bank, Siakago	1139569750701	3,050	-
Kianthenge Primary School	Cooperative Bank, Siakago	1139344657000	76,696	76,695
Kiathambu Secondary School	Cooperative Bank, Siakago	1109569199300	97,237	-
Kigwambiti Secondary School	Cooperative Bank, Siakago	1139344561503	216,566	228,566
Kiogogo Sub-Chiefs office	Sidian Bank, Embu	1007030004316	735	735
Kirie ACCs Office PMC	Cooperative Bank, Siakago	1141570126400	11,065	291,065
Kirie Administration Police Line	Cooperative Bank, Siakago	1141570074900	1,199	-
Kirie AP Post PMC	Sidian Bank, Embu	1007030002571	847	68,967
Kirie Primary School	Cooperative Bank, Siakago	1139052734902	22,636	22,635
Kirigo Primary School	Sidian Bank, Embu	1007030003798	1,655	1,655
Kirigo Secondary School	Sidian Bank, Embu	1007030003808	2,805	2,805
Kivue Primary School	Cooperative Bank, Siakago	1139052732701	5,460	5,460
Kivue Secondary School	Cooperative Bank, Siakago	1139052929302	46,097	46,097
Kogari Secondary School	Sidian Bank, Embu	1007030003498	1,533	1,533
Kune Sub Chief office	Cooperative Bank, Siakago	1141570052300	983	-
Kwandambogo Primary School	Cooperative Bank, Siakago	1139570229400	21,349	21,348
Makunguru Primary School	Cooperative Bank, Siakago	1139570392700	1,020	849,520
Mang'ote Primary School	Cooperative Bank, Siakago	1139052739703	2,380	2,380

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Mathai Primary School	Cooperative Bank, Siakago	1139570052600	3,758	-
Mbaci Primary School	Sidian Bank, Embu	1007030004536	33	33
Mbaraga Secondary School	Cooperative Bank, Siakago	1139570269900	8,745	-
Mbarwari Primary School	Cooperative Bank, Siakago	1139052736901	1,411	1,410
Mbeere North Ng-CDF office	Sidian Bank, Embu	1007030002471	1,610	1,610
Mbeere North Environment	Sidian Bank, Embu	1007030002431	993	993
Mbeere North NGCDF Office Equipment	Sidian Bank, Embu	1007030002481	-	1,635
Mianjatiri Primary School	Sidian Bank, Embu	1007030003508	60	98,575
Michegethiu Primary School	Cooperative Bank, Siakago	1139570223100	24,841	24,841
Muchonoke Primary School	Sidian Bank, Embu	1007030003678	55	55
Mugwanjogu Primary School	Sidian Bank, Embu	1007030003768	175	175
Mukororia Primary School	Cooperative Bank, Siakago	1139344244401	2,055	2,055
Muminji Chiefs office	Sidian Bank, Embu	1007030002841	14,653	14,653
Murangu Primary School	Cooperative Bank, Siakago	1139407575002	535	-
Muthantara Secondary School	Cooperative Bank, Siakago	1139344130502	28,417	463,382
Muthanthara Primary School	Sidian Bank, Embu	1007030003648	1,025	1,025
Muthanu Sub-Chiefs office	Cooperative Bank, Siakago	1141570222700	16,256	16,255
Mutirieguru Primary School	Cooperative Bank, Siakago	1139051167201	4,170	4,170
Mwundu Primary School	Cooperative Bank, Siakago	1139052752901	2,020	2,020

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Ndutori Primary School	Cooperative Bank, Siakago	1139052752602	3,293	45,293
Ndutori Secondary School	Cooperative Bank, Siakago	1139569515002	3,293	1,320
Ngarwereri Primary School	Sidian Bank, Embu	1007030003438	777	777
Ngiiri Primary School	Cooperative Bank, Siakago	1139051182401	520	520
Ngoce Primary School	Cooperative Bank, Siakago	1139570105800	1,129	96,215
Ngoce Secondary School	Cooperative Bank, Siakago	1139344247002	211,213	815,213
Ngunyumu Secondary School	Sidian Bank, Embu	1007030003738	1,255	1,255
Njarange Primary School	Sidian Bank, Embu	1007030003548	3,023	61,023
Nthigirani Primary School	Sidian Bank, Embu	1007030003848	85	85
Ovarire Primary School	Cooperative Bank, Siakago	1139052737102	3,380	3,380
Riandu Police Post	Cooperative Bank, Siakago	1141570066500	110,142	110,141
Riandu Secondary School	Cooperative Bank, Siakago	1139344739600	1,317,968	1,671,447
Rwagori Primary School	Cooperative Bank, Siakago	1139344247601	3,000	3,000
Rwanjeru Primary School	Cooperative Bank, Siakago	1139051167601	3,830	3,830
Siakago Boys Secondary School	Cooperative Bank, Siakago	1139569021400	2,184,160	2,315,160
Siakago Girls High School	Cooperative Bank, Siakago	1139344348500	40,626	290,246
Siakago Law Courts	Cooperative Bank, Siakago	1141570256200	1,075	1,075
Siakago Police Headquarters	Cooperative Bank, Siakago	1120570002900	245,378	249,338
Siakago Primary School	Cooperative Bank, Siakago	1139569762300	27,810	27,809

*Mbeere North Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Siakago Technical Training Institute	Sidian Bank, Embu	1007030002811	1,589	1,589
Sports PMC	Sidian Bank, Embu	1007030002461	7,489	1,489
St. Anthony Siakago Mixed Secondary School	Cooperative Bank, Siakago	1139344430900	6,303	456,303
St. John's The Baptist Kirie Day Secondary School	Cooperative Bank, Siakago	1139051129802	4,971	164,970
St. Mary Magdalene High School for the Deaf Riandu	Cooperative Bank, Siakago	1139570363700	1,059,311	1,059,311
St. Peter's Upper Primary School	Cooperative Bank, Siakago	1139570110600	7,613	-
Usambara Primary School	Cooperative Bank, Siakago	1139570143800	2,580	2,580
Witwa Primary School	Cooperative Bank, Siakago	1100344761400	72,713	-
Witwa Primary School	Cooperative Bank, Siakago	1139344761400	47,191	47,191
<b>Total</b>			<b>9,819,218</b>	<b>21,684,765</b>

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0 Presentation of Financial Statements	The financial statements presented for audit include page 5 that was repeated. In the circumstances, Management did not comply with the prescribed template by the Public Sector Accounting Standards Board in preparing the financial statements and therefore in breach of the law.	The repeated page in question has since been eliminated	Resolved	Done
2.0 Accuracy of the Financial Statements	The summary statement of appropriation reflects unutilized fund opening balance of Kshs.74,138,203 while Note 17.3 to the financial statements reflects unutilized comparative balance of Kshs.72,809,763 resulting to unexplained variance of Kshs.1,328,440. Further, Annex 3 reflects unutilized fund balance of Kshs.73,509,762 which differs with Note 17.3 balance of Kshs.72,809,763 resulting to unreconciled variance of Kshs.699,999. In the circumstances, the accuracy of the Summary Statement of Appropriation for the year could not be confirmed.	The noted differences are due to casting errors that have been rectified to reflect the true position	Resolved	Done
3.3 Unsupported Routine Maintenance - Other	The statement of receipts and payments and as disclosed in Note 5 to the financial statements	There was not proper	Not	October, 2023



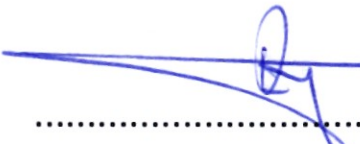
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<b>Assets</b>	<p>reflects an amount of Kshs.13,916,752 in respect to use of goods and services which further includes Kshs.800,000 in respect to routine maintenance of other assets. However, the expenditures were not adequately supported with payment vouchers, request for quotations, committee opening and evaluation minutes, letters of offer and acceptance, delivery notes, inspection and acceptance certificate and invoices.</p> <p>In the circumstances, the accuracy and propriety of the expenditure of Kshs.800,000 could not be confirmed.</p>	<p>handover between incoming and outgoing NGCDFC staff resulting to mix up in documentations and files</p>	resolved	
<b>3.4 Unsupported Hospitality Supplies and Services</b>	<p>The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an amount of Kshs.13,916,752 in respect to use of goods and services which further includes Kshs.760,000 in respect to hospitality supplies and services. However, the expenditures were not adequately supported with payment vouchers, request for quotations, opening and evaluation minutes, letters of offer and acceptance, delivery notes, inspection and acceptance certificates and invoices.</p> <p>In the circumstances, the accuracy and propriety of the expenditure of Kshs.760,000 could not be confirmed.</p>	<p>There was not proper handover between incoming and outgoing NGCDFC staff resulting to mix up in documentations and files</p>	Not resolved	October, 2023

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
3.6 <b>Unsupported Expenditure on Domestic Travel</b>	<p>The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects an amount of Kshs.13,916,752 which further includes Kshs.560,000 in respect to domestic travel and subsistence. However, the payment vouchers, work tickets or bus tickets, back to office reports were not provided for audit review.</p> <p>In the circumstances, the accuracy of the domestic travel expenditure of Kshs.560,000 could not be confirmed.</p>	<p>There was not proper handover between incoming and outgoing NGCDFC staff resulting to mix up in documentations and files</p>	Not resolved	October, 2023
4.0 <b>Unaccounted for Bursary</b>	<p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.43,135,893 in respect to other grants and transfers which further includes Kshs.25,856,200 in respect to bursary-secondary, tertiary and special schools. However, the vetting committee appointment letters and bursary committee minutes were not provided for audit review.</p> <p>In the circumstances, the accuracy of the expenditure amount of Kshs.25,856,200 could not be confirmed. Further, it was not possible to ascertain whether the bursaries benefited the intended beneficiaries and was expended appropriately.</p>	<p>There was not proper handover between incoming and outgoing NGCDFC staff resulting to mix up in documentations and files.</p> <p>Bursary acknowledgement has tremendously improved to over 90%</p>	Partially resolved	October, 2023
5.0 <b>Failure to Reverse</b>	The statement of assets and liabilities and as	These were subsequently	Resolved	Done

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

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)
Stale Cheques	disclosed in Note 10 to the financial statements reflects an amount of Kshs.12,766,154 in respect to cash and cash equivalents. However, the bank reconciliation statement includes Kshs.12,941,744 relating to unrepresented cheques which further includes eighteen (18) stale cheques totalling to Kshs.115,984 that have not been reversed or written back to the cash book. In the circumstances, the accuracy of the cash and cash equivalent balance of Kshs.12,766,154 could not be confirmed.	reversed and replaced		
6.0 Unsupported Project Management Committee (PMC) Bank Balances	Note 17.4 to the financial statements reflects Kshs.21,684,765 in respect to Project Management Committee (PMC) bank balances. However, the cashbooks and bank reconciliation statements as at 30 June, 2022 were not provided for audit review. Further, one hundred and twelve (112) bank balances amounting to Kshs.17,614,133 were not supported with bank statements.	PMC Bank reconciliations have been done and the supporting bank statements plus certificates attached	Resolved	Done

  
 FUND ACCOUNT MANAGER  
 MBEERE NORTH NG-CDF

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

---

**Richard M. Maingi**

**Fund Account Manager.**

