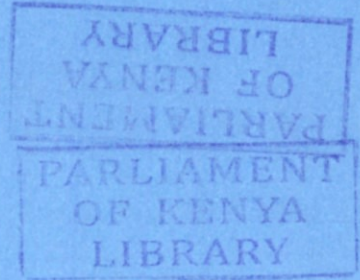


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

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

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

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 17 SEP 2024

TABLED BY:

CLERK AT THE TABLE

DAY: TUESDAY
HON. OWEN BATA
DEPUTY MAJORITY LEADER
MWARU

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

04 APR 2024

RECEIVED



LANGATA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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

I. Acronyms and Abbreviations

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

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Langata 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 30th June 2023 and who had direct fiduciary responsibility were:

1.	A.I.E holder	Gumato Sharamo
2.	Sub-County Accountant	Lucas Okech
3.	Chairman NGCDFC	Evanson Moturi
4.	Member NGCDFC	Beatrice Nganyi

(c) Fiduciary Oversight Arrangements

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

P.O. Box 34833-00100
Langata NG-CDF office
Wilson Airport (DCC Compound)
Nairobi, KENYA

(e) Langata Constituency NGCDF Contacts

Telephone: (254) 722920173
E-mail: cdf-langata@ngcdf.go.ke
Website: www.langatangcdf.go.ke

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(f) Langata Constituency NGCDF Bankers

Bank Name: Equity bank
Branch: Nairobi west
Account Name: LANGATA NG – CDF
Account Number: 1280262114687
Address: 75104 Nairobi

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



Evanson Moturi - Langata NG-CDFC Chairman

Langata Constituency profile

Langata Constituency is an electoral constituency in Kenya. It is one of seventeen constituencies of Nairobi County. It consists of southern and south-western areas of Nairobi. Langata Constituency has common boundaries with Kibra Constituency of Nairobi. The entire constituency is located within Nairobi City Council area. The constituency has an area of 223km². It was known as Nairobi South Constituency.

Langata is now represented by Hon. Phelix Odiwuorr alias Jalang'o. It was formally represented by Hon. Nixon Korir, who succeeded Hon. Joash Olum who came in after the former Prime Minister for Kenya Hon. Raila A. Odinga. He was the MP for Langata for 20 years (1992-2012). The first Langata MP Joseph Murumbi served as a Vice-President of Kenya of Kenya from 1966 to 1967. Former Langata MP Philip Leakey was the first white Kenyan MP, another noteworthy former Langata MP is Mwangi Maathai, former husband to former Nobel Peace Prize laureate Late Wangari Maathai.

Langata Constituency has an estimated population of 197,489 as per the 2019 census in five wards namely: -

- i) South C ward
- ii) Nairobi West ward
- iii) Highrise ward
- iv) Mugumoini ward
- v) Karen ward

Langata NG-CDF 2022/2023 Financial Year's approved allocation was Kenya Shillings 145,087,603.00 thus an increase of Kenya Shillings 7,998,724.00 from 2021/2022 Financial Year's allocation of Kenya Shillings 137,088,879.00. On presentation of the proposal, NG-CDF Board approved the allocation less Kenya Shillings 19,301,752.00 meant for environment activities and construction of a constituency model kitchen at Uhuru Gardens Primary School.

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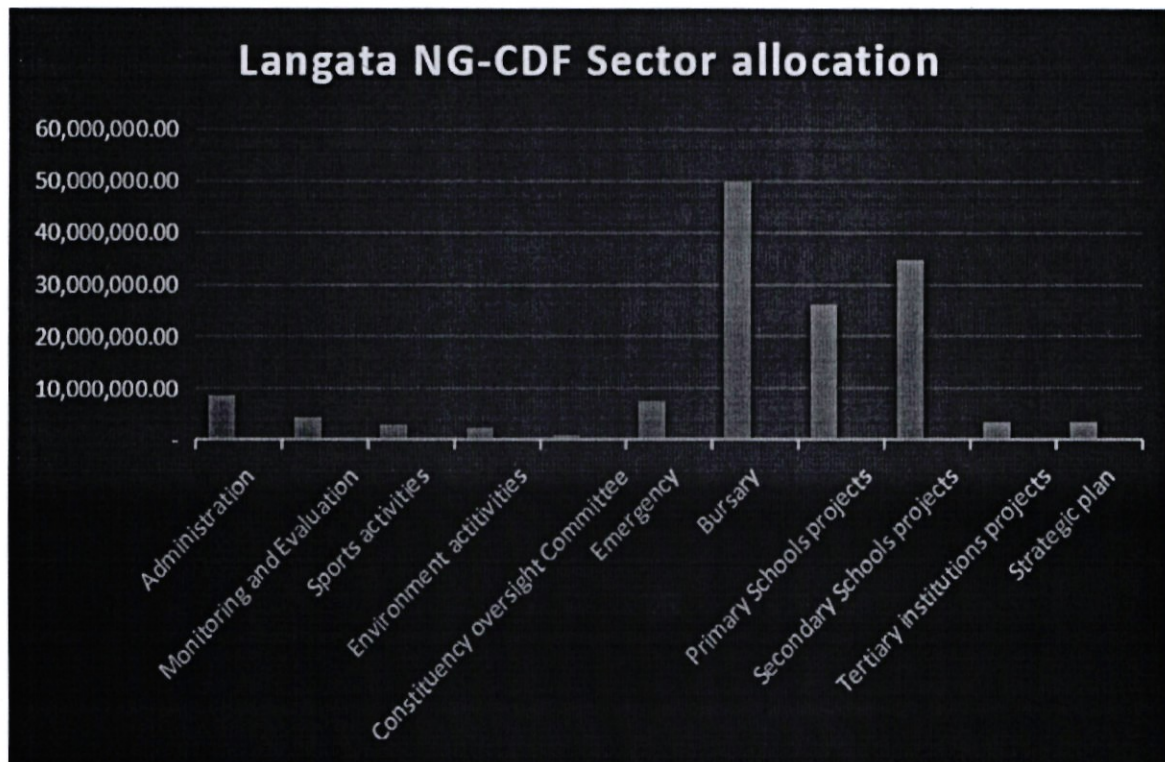
Table 1.1: Showing allocation and disbursement comparison

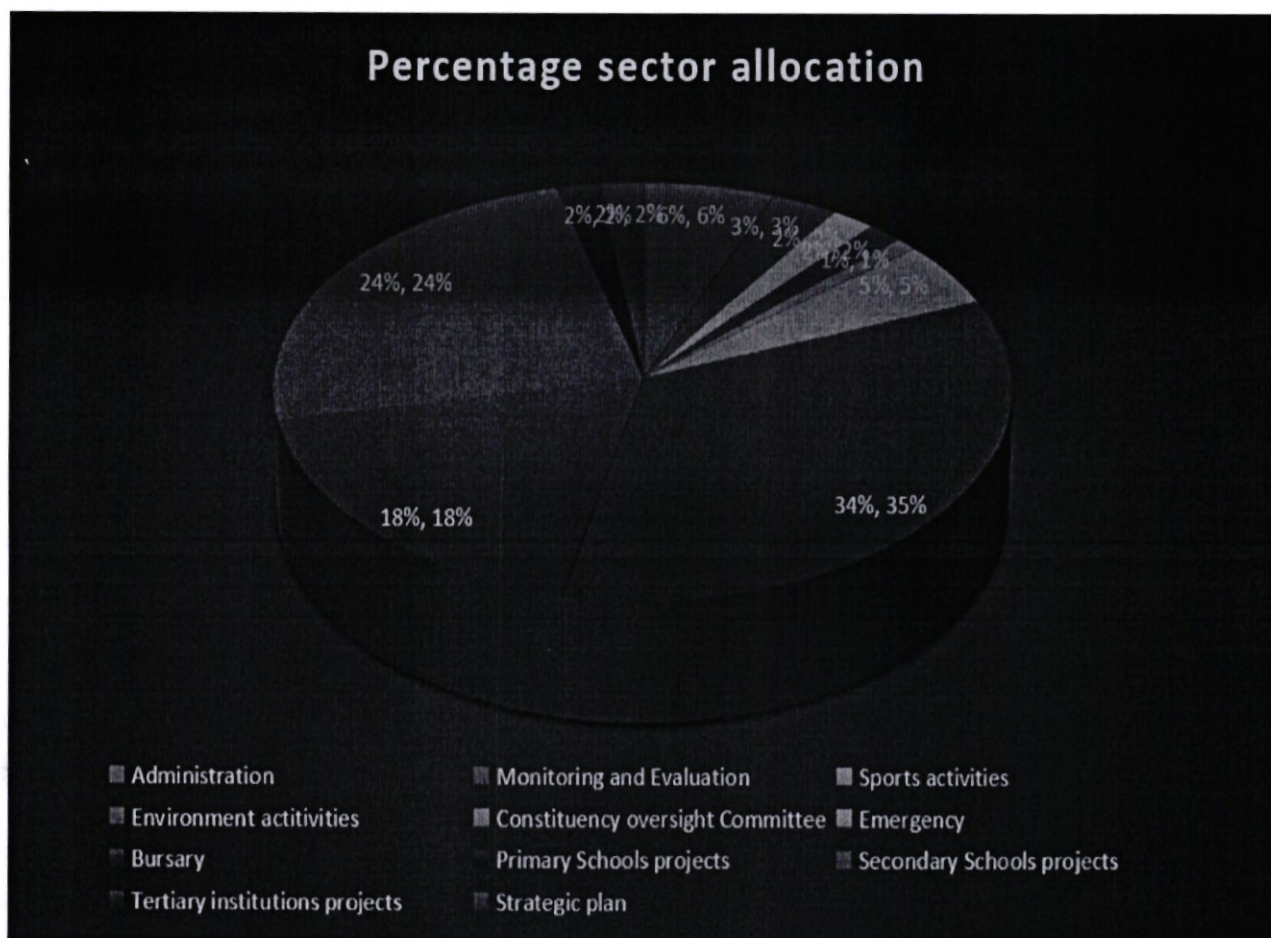
Financial year	Allocation	Disbursement (within the financial year)	Difference
2022/2023	145,087,603.00	87,000,000.00	58,087,603.00 (41.4%)
2021/2022	137,088,879.00	137,088,879.00	0.00

Langata NG-CDF allocated Kenya Shillings 50,000,000.00 (34.5%) to bursary, which was the highest as far as allocation is concerned. Bursary allocation was followed by secondary schools' projects at Kenya Shillings 34,860,000.00 whereas primary school projects were allocated Kenya Shillings 26,240,000.00.

Langata NG-CDF did not encounter any emergency occurrence during the 2022/2023 financial year, thus the committee sought for a reallocation of the entire vote of Kenya Shillings 7,636,190.00 to various projects such as Bursary.

Below is an illustration of Langata NG-CDF's 2022/2023 votes.





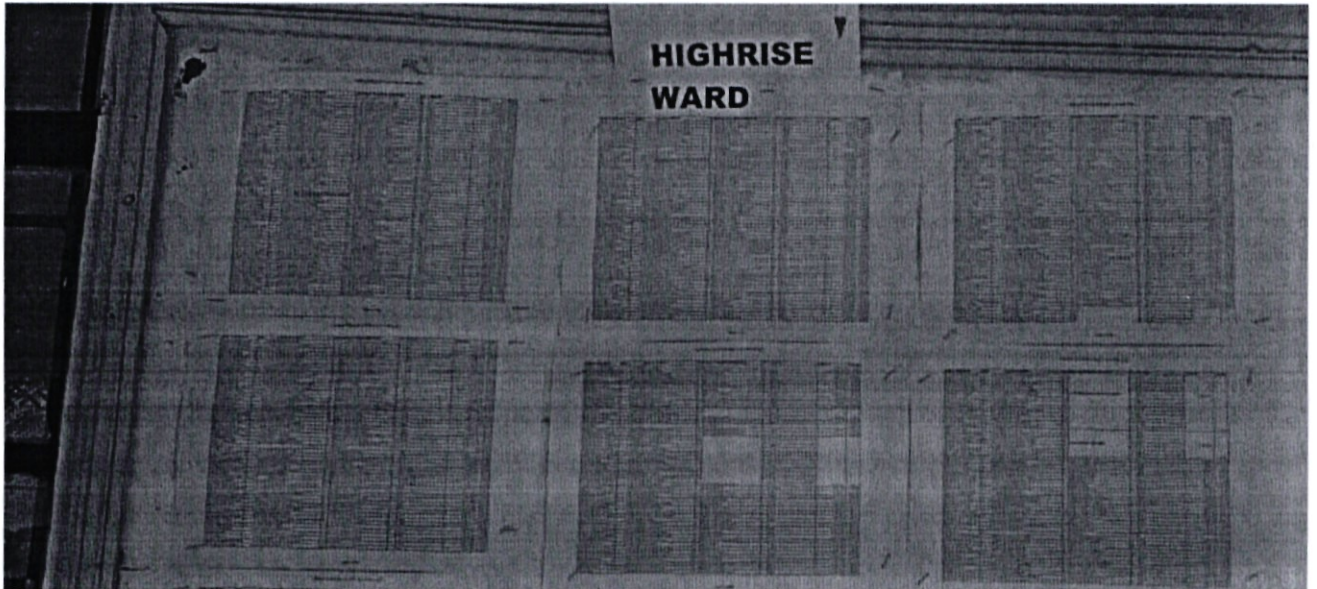
a) Budget performance

Having received a total of KShs. 87,000,000.00 with corresponding AIEs less 15M, Langata NG-CDF was able to prioritize on bursary owing to the fact that times are hard and bursary is the only vote that offers direct impact to beneficiaries.

Other than bursary, Administration and Monitoring & Evaluation were prioritized fully. The decision on how to prioritize was reached as a result of the anticipated long procurement process that would ordinarily mean that funds take too long to be disbursed to the PMC accounts.

b) Key achievements

i) Langata NG-CDF can boast of transparency in bursary issuance whereby all eligible applicants who met all the requirements were awarded bursary. It made a great difference even though the allocation for secondary school was KShs. 5,000 against KShs. 10,000.00 for post-secondary successful applicants.



List of bursary beneficiaries from Highrise ward

ii) Kongoni Day Mixed Secondary School

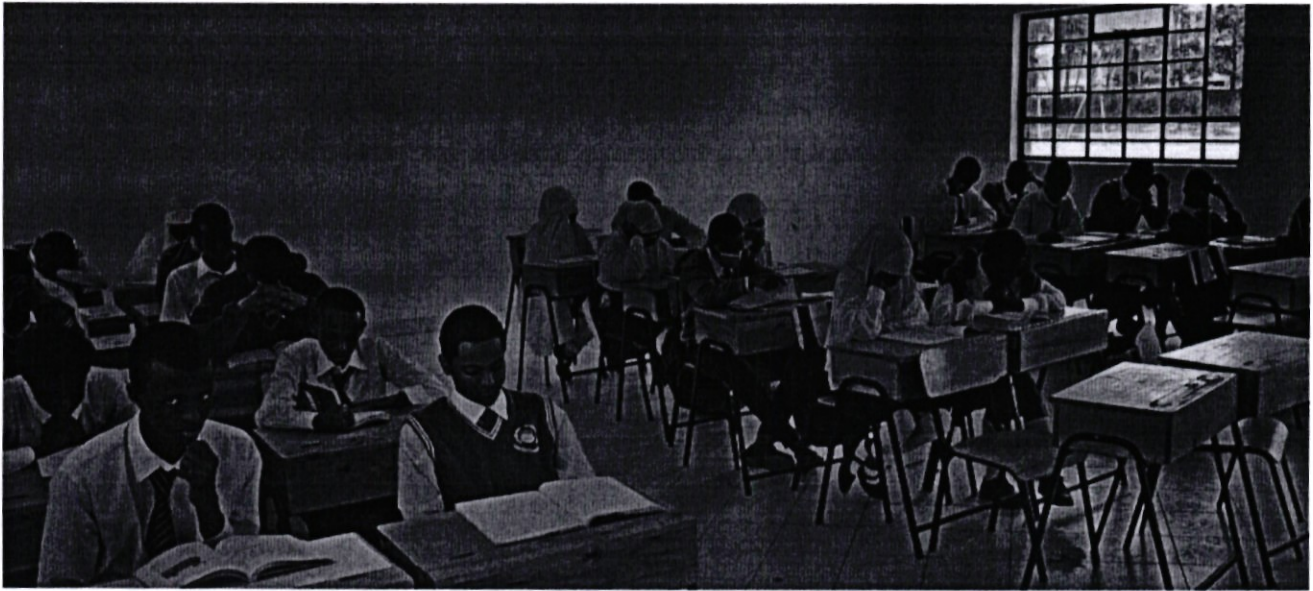
This school was implemented in three financial years; 2019/2020-2021/2022. It is worth noting that this project's final implementation stages were in 2022/2023 financial year. The school's first enrolment was in May 2023.

From the construction of this school, there is an increase in the transition to form one which is evident with the current enrolment of 54 students in form one.

School fees have been negotiated as per the Ministry of Education guidelines thus parents are transferring their children from private secondary schools to Kongoni Mixed Day Secondary School because of the lowered fees.



The completed classrooms block.



The first form one enrolment during a lesson

c) Emerging issues

- Members of the public are not fully conversant with the devolved functions where they get frustrated when they are redirected on what offices to visit when seeking devolved functions.
- Another emerging issue is on the utilization of the emergency vote whereby some local leaders contact office when there are fires in the informal settlement.

d) Implementation challenges

The office was able to fully implement bursary, challenges under it included the restrictions on utilization of the vote which resulted in some uncomfortable confrontations between Langata NG-CDF and Langata PSC office.

In order to take care of this, the management should set aside 2% of the vote to take care of its administration.

.....
Evanson Moturi
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY 2022/23

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 *Langata Constituency 2017/18-2021/22* plan are to:

- a. To implement comprehensive planning and prioritize development projects aimed at creating optimal learning conditions for students in schools.
- b. To empower youth, women, and persons with disabilities (PWD) by facilitating their acquisition of fundamental skills through targeted programs that equip them with the necessary tools and knowledge to thrive in society.
- c. To foster effective participation and community involvement in the development processes to create a sustainable and safe living environment where all voices are heard and valued.
- d. To strengthen the economic capacity of residents, enabling self-sufficiency and independence by providing opportunities for skills development and entrepreneurship for job creation and improved living standards.

Vision

Improve the living standards of communities in Lang'ata constituency by successfully implementing National Government Constituency Development fund that will ensure secure environment with quality education, and social economic wellbeing of the people.

Mission

1. Partner with local and international organizations to support and strengthen National Government Constituency Development Funds to implement quality sustainable projects in the Constituency.
2. Maximize on Community participation process anchored in the 2010 constitution to generate community synergy and enhance support and sustainability.

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:

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2022/23 -Kongoni Day Mixed secondary school was handed over to the user whereby there was enrolment of 54 form one students. - There was an increase in bursary beneficiaries from 6,321 in 2021/2022 F.Y to 8,793 in 2022/2023 F.Y.
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	In FY 2022/23 Langata NG-CDF did not allocate any funds to security projects but this was projected to be done in fy 2023/24
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equip schools with good energy saving Jikos and water tanks	High number of energy saving jikos and water installed	In FY 2022/23 Energy saving Jikos were installed in the newly constructed multipurpose Hall at Karen C girls secondary school which serves a population of 758.
Sports	5 partners delivering empowerment programs to the youth through sports	Reduced dependence and spur social and economic growth through sports	Number of youth groups benefiting from the sports programme	The number of youth groups to benefit from sports programs were projected to increase in the coming financial year from 24 teams in 2021/2022 financial year to 30 soccer teams in 2022/2023 F.Y.
Emergency	Improve the mechanism used in handling disasters	Reduce loss of live and properties	Number of staircases and rumps put in place.	There was no emergency occurrence in the financial year.

V.Statement of Governance

Process of Appointment and Removal of NG-CDFC Members

The office was guided by the NG-CDF Act 2015 (amended 2016) in section 43 (1), (2),(3) & 57(1) and its regulations to have a new NG-CDFC in place.

The previous Langata NG-CDFC's tenure ended before the 2022 general elections in August. In this regard, the members were informed in writing of the same. However, the office operations continued as usual on administration matters.

The office was prompted to begin the NG-CDFC vide a circular dated 15th September 2022. The office through an advertisement dated 21st September 2022 invited members of the public to apply for committee membership under; women and men adult category, female and male youth. The outgoing NG-CDFC was also given a chance to apply in the respective specified positions through a letter dated 22nd September 2022.

A four-member committee was constituted to work on the vetting of the NG-CDFC applicants upon closure of the application. This committee consisted of an Assistant County Commissioner (Chairperson), two nominees (male and female) from the constituency office and Langata Field Operations Officer (Secretary). The four-member committee's role was to vet the applicants as guided by law. The following were therefore successfully vetted, and a report presented to NG-CDF Board:

- i) National Government official responsible for co-ordination of National Government functions.
- ii) Two men, an adult and a youth at the time of appointment.
- iii) Two women, an adult and a youth at the time of appointment
- iv) One person living with disability nominated by a registered group representing persons with disabilities in the constituency.
- v) Two persons, a male and a female nominated by the constituency office.
- vi) The officer of the Board seconded to the constituency committee by the Board who is an *ex-officio* member without a vote.
- vii) One member co-opted by the Board as per the NG-CDF Board's Regulations made by the Board.

Removal of a Committee member from the committee

The Committee shall be guided by Section 43(13) and (14) of the NG-CDF Act 2015 as amended in 2016 on the removal of a committee member. Some of the reasons that may amount to this include:

- i) Gross misconduct
- ii) Lack of integrity
- iii) Embezzlement of public funds
- iv) Bringing the Committee into disrepute through unbecoming personal public conduct

- v) Promoting unethical practices such as engaging in corrupt activities.
- vi) Causing disharmony within the Committee
- vii) Physical or mental infirmity.

In Langata NG-CDF no member was removed from office in the FY 2022/23

The functions of an NG-CDFC include: -

- Build the capacity of PMC and sensitize the community on the operations of the Fund.
- Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency.
- Ensure that all proposed projects that are approved for funding meet the requirements of the NG-CDF Act
- Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans.
- In approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution.
- Consult with relevant government departments to ensure that cost estimates for projects are realistic.
- In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects.
- Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding.
- Rank projects proposals in order of priority while ensuring that on-going projects take precedence.
- Ensure that all projects receive adequate funding and are completed within three years.
- Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified, and ownership documents authenticated with relevant government agencies.
- Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board.
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- Ensure that project reports are prepared and submitted to the Board.
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects,

***Langata Constituency
National Government Constituencies Development Fund (NGCDF)
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- Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund.
- Submit financial statements to the Board within sixty days of the end of the financial year.
- Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account.
- Recommend to the Board the removal of a committee member.
- Submit to the Board the report which shall contain a list of all the new projects commenced during the financial year and their completion status; and a list of all projects approved, funded, and commenced during previous financial years, and their completion status.
- Enter into performance contracting with the Board on an annual basis.
- In exercising its discretion be guided by the principles of governance enshrined in Article 10 of the Constitution.
- Receive returns from project management committees.
- Maintain a database of project management committees and reports from the respective committees.
- Ensure that the reports referred to above are received before funding is released for each phase of the project being implemented.
- Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office.
- Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level.
- Ensure that the committee does not enter into commitments for which funding has not been allocated.
- Ensure projects are labeled in accordance with the guidelines issued by the Board and perform any other function assigned to it by the Board.

Induction of NG-CDFC

The current Langata NG-CDFC was dully inducted for two days; 14th and 15th December 2022. Even though the induction was rigorous, the following areas were comprehensively covered:

- ✓ Overview of NG-CDF Act
- ✓ Roles of different players in the management of NG-CDF
- ✓ Project Management; Public participation, Project Identification, Planning Selection (Prioritization), Project Proposal, Approval, Implementation and Monitoring and Evaluation.

- ✓ Project Management Committee (PMC) operations.
- ✓ Public Procurement Procedures and their application to NG- CDF
- ✓ Accounting & record keeping, Audit and audit related issues.
- ✓ Cross cutting issues, ethics and integrity, HIV & AIDS, drug use and abuse

Risk management

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

Some of the risk mitigation strategies that NGCDFC Langata has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring 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 timelines to ensure the constituents are involved in project identification.

Langata NG-CDFC operations

The NG-CDF 2015 Act as amended in 2016 Section 43(10) permits a maximum of twenty-four meetings inclusive of the sub-committee meetings. Langata NG-CDFC held a total of fifteen meetings, five sub-committee meetings under; Education bursary, mock examinations and continuous assessment tests, Social Security program and personnel.

NG-CDFC members are entitled to a sitting allowance of Kshs. 5,000.00 and KShs. 7,000.00 for the Committee Chairperson as enshrined in the NG-CDF 2015 Act.

Below is a schedule of Langata NG-CDFC 2022/2023 F.Y main committee meetings:

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LANGATA NG-CDFC 2022/2023 F.Y MEETING ATTENDANCE

S/No.	NAME	22/7/22	17/8/22	2/9/22	3/10/22	5/12/22	13/12/22	5/1/23	10/1/23	31/1/23	13/2/23	16/3/23	23/3/23	19/4/23	26/5/23	19/6/23
1	David Muchai - Chairperson	√	√	√	√											
2	Josphat Omwoyo - Secretary	√	√	√	√											
3	Lydia Akoth - Member	√	√	√	√											
4	Linet Kisoi - Member	√	√	√	√											
5	Michael Omondi - PWD	√	√	√	√											
6	Nooria Wario - Member	√	√	√	√											
7	Joel Kiratu - Co-opted member	√	√	√	√											
8	Evanson Moturi - Chairperson (N/P)					√	√	√	√	√	√	√	√	√	√	√
9	Sharon Otieno - Secretary (N/P)					√	√	√	√	√	√	√	√	√	√	√
10	Zulekha Abd - Member (N/P)					√	√	√	√	√	√	√	√	√	√	√
11	Fauzia Hussein - Co-opted member (N/P)					√	√	√	√	√	√	√	√	√	√	√
12	Beatrice Nganyi - Member (N/P)					√	√	√	√	√	√	√	√	√	√	√
13	Michael Wanjohi - Member (N/P)					√	√	√	√	√	√	√	√	√	√	√
14	Japheth Kakai - PWD (N/P)					√	√	√	√	√	√	√	√	√	√	√
15	Kevin Ochieng - Member (N/P)					√	√	√	√	√	√	√	√	√	√	√
16	Henry	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

Langata Constituency
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	Ochako - DCC															
17	Phyliss Chibayi - FOO	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

N/P - New parliament

Ethics

Langata NG-CDFC members’ conduct when it comes to operations always adhere to Chapter Six of the 2010 Constitution of Kenya.

Disclose policy on conflict of interest.

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

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Langata 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; Langata 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 Langata NG-CDF has allocated part of its budget on environment conservation through activities such as energy saving jikos, water conservation through rainwater harvesting and storm water drainage systems.
- d. **Sports:** The Langata NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with

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

2. Environmental performance

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

3. Employee welfare

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

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

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Langata 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.

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



.....
Gumato Sharamo,
Fund Account Manager.

VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Langata 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.

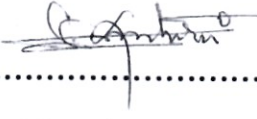
The Accounting Officer in charge of the NGCDF-Langata Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Langata 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 Langata 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- Langata Constituency financial statements were approved and signed by the Accounting Officer on 2/04/2024.



.....
Evanson Moturi

Chairman – NGCDF Committee



.....
Gumato Sharamo

Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Langata Constituency set out on pages 1 to 41, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies

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

and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Bursary Expenditure

The statement of receipts and payments reflects other grants and transfers amount of Kshs.53,245,000 as disclosed in Note 8 to the financial statements. Included in the expenditure are bursaries to secondary, tertiary and special schools amounting to Kshs.30,910,000, Kshs.20,000,000 and Kshs.1,995,000, respectively. However, the specific criteria of awarding the bursaries and acknowledgment letters from the beneficiary institutions were not provided for review.

In the circumstances, the accuracy and completeness of the bursary expenditure amounting to Kshs.52,905,000 could not be confirmed.

2. Unsupported Project Management Committee Balances

Note 18.4 and Annex 5 to the financial statements reflect Project Management Committee (PMC) bank balances totalling Kshs.7,980,812. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.7,980,812 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 - Langata Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects approved budgeted receipts of Kshs.157,144,739 and actual receipts on comparable basis of Kshs.99,052,635, resulting in an underfunding of Kshs.58,092,104 or 37% of the budget. However, the Fund spent Kshs.74,351,149 against actual receipts of Kshs.99,052,635 resulting to an under-utilization of Kshs.24,701,486 or 25% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Implementation of Projects

The summary statement of appropriation, reflects an amount of Kshs.47,690,025 on transfers to other Government units for various projects. However, physical inspection carried out in March, 2024 revealed that projects with a budget allocation of Kshs.10,290,025 had not been implemented.

In the circumstances, value for money spent on transfers to other Government units amounting to Kshs.10,290,025 could not be confirmed.

2. Inadequacies in Implementation of Kongoni Secondary School Project

The statement of receipts and payments reflects an amount of Kshs.10,290,025 in respect of transfers to other Government units out of which an amount of Kshs.5,200,000 was in respect of transfers to secondary schools. Included in the transfers is an amount of Kshs.1,200,000 disbursed to Kongoni Secondary School for construction of two (2)

storey buildings comprising of a nine (9) classrooms block, administration block with twenty (20) offices, secretarial pool, bathrooms, staff room and a twenty-four (24) door ablution block all with a contract sum of Kshs.92,417,657. However, payments amounting to Kshs.28,095,746 were made to the contractor 08 February, 2023 despite the performance bond for the contractor having expired on 27 January, 2023.

Further, despite there being no retention money withheld as per the certificate No.6, the Fund Management released 50% of the retention money to the contractor on 08 February, 2023 and on 20 February, 2023 the Fund Manager wrote to the contractor informing him of intention to award the remaining works to another contractor. The new contractor was procured directly without justification. This was contrary to Section 91(1) and (2) of the Public Procurement and Asset Disposal Act, 2015 which states that open tendering shall be the preferred procurement method for procurement of goods, works and services and that a procuring entity may use an alternative procurement procedure only if that procedure is allowed and satisfies the conditions under this Act for use of the method.

The new contractor was paid an amount of Kshs.4,611,252 on 5 April, 2023 but there was no evidence of any additional works done and supported by inspection and acceptance reports. Physical verification carried out in March, 2024 revealed that the project had been abandoned as the contractor was not on site.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 June, 2024


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

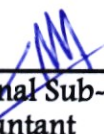
IX. Statement Of Receipts and Payments for the Year Ended 30th June 2023

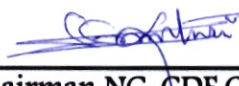
	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	87,000,000	185,777,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	4,500.	4,000
Total Receipts		87,004,500	185,781,758
Payments			
Compensation Of Employees	4	3,218,807	4,842,795
Committee expenses	5	1,879,000	3,061,600
Use Of Goods and Services	6	5,533,317	7,718,496
Transfers To Other Government Units	7	10,290,025	99,169,059
Other Grants and Transfers	8	53,245,000	94,961,507
Acquisition Of Assets	9	-	289,000
Oversight Committee Expenses	10	185,000	-
Other Payments	10	-	-
Total Payments		74,351,149	210,042,457
Surplus/ (Deficit)		12,653,351	(24,260,699)

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 2/04/ 2024 and signed by:


 Fund Account Manager
 Gumato Sharamo


 National Sub-County
 Accountant
 Lucas Oketch
 ICPAK M/No: 17541


 Chairman NG-CDF Committee
 Evanson Moturi


*Langata Constituency
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X. Statement Of Assets and Liabilities As At 30th June, 2023


	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	11A	24,705,987	12,052,635
Cash Balances (Cash at Hand)	11B	-	-
Total Cash and Cash Equivalents		24,705,987	12,052,635
Accounts Receivable			
Outstanding Imprests	12	-	-
Total Financial Assets		24,705,987	12,052,635
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	-	-
Total Financial Liabilities		-	-
Net Financial Assets		24,705,987	12,052,635
Represented By			
Fund Balance B/Fwd	15	12,052,635	36,313,334
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		12,653,351	(24,260,699)
Net Financial Position		24,705,987	12,052,635

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 2/04/ 2024 and signed by:



Fund Account Manager
Gumato Sharamo



National Sub-County
Accountant
Lucas Okech
ICPAK M/No: 17541



Chairman NG-CDF Committee
Evanson Moturi

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

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	87,000,000	185,777,758
Other Receipts	3	4,500	4,000
Total Receipts		87,004,500	185,781,758
Payments			
Compensation Of Employees	4	3,218,807	4,842,795
Committee Expenses	5	1,879,000	3,061,600
Use Of Goods and Services	6	5,533,317	7,718,496
Transfers To Other Government Units	7	10,290,025	99,169,059
Other Grants and Transfers	8	53,245,000	94,961,507
Oversight Committee Expenses	10	185,000	-
Other Payments	10	-	-
Total Payments		74,351,149	209,753,457
Total Receipts Less Total Payments		12,653,351	(23,971,699)
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		12,653,351	(23,971,699)
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	(289,000)
Net Cash Flows from Investing Activities		-	(289,000)
Net Increase In Cash And Cash Equivalent		12,653,351	(24,260,699)
Cash & Cash Equivalent At Start Of The Year	11	12,052,635	36,313,334
Cash & Cash Equivalent At End Of The Year	11	24,705,987	12,052,635

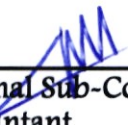
Langata Constituency
National Government Constituencies Development Fund (NGCDF)
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.


The Constituency financial statements were approved by NG CDFC on 2/04 2024 and signed by:



Fund Account Manager
Gumato Sharamo



**National Sub-County
Accountant**
Lucas Oketch
ICPAK M/No: 17541



Chairman NG-CDF Committee
Evanson Moturi

XII. Summary Statement of Appropriation for The Year Ended 30th 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 %
	<i>FY 2022-2023</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>FY 2022-2023</i>	<i>FY 2022-2023</i>		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts							
Transfers From NGCDF Board	145,087,603	12,052,636	0	157,140,239	99,052,635	58,087,604	
Proceeds From Sale of Assets				0	-	-	0.0%
Other Receipts	-	4,500		4,500	-	4,500	
Totals	145,087,603	12,057,136	0	157,144,739	99,052,635	58,092,104	63%
Payments							
Compensation Of Employees	4,160,950	2,223,312		6,384,262	3,218,807	3,165,455	50.4%
Committee Expenses	1,954,000	1,088,375		3,042,375	1,879,000	1,163,375	61.8%
Use Of Goods and Services	6,942,934	2,236,108		9,179,042	5,533,317	3,645,725	60.3%
Transfers To Other Government Units	47,690,025			47,690,025	10,290,025	37,400,000	21.6%
Other Grants and Transfers	60,537,942	6,358,178		66,896,120	53,245,000	13,651,120	79.6%
Acquisition Of Assets	0	4,923		4,923	-	4,923	0.0%
Oversight Committee Expenses	1,000,000			1,000,000	185,000	815,000	18.5%
Other Payments	3,500,000			3,500,000	-	3,500,000	0.0%
Funds Pending Approval**	19,301,752	146,240		19,447,992	-	19,447,992	0.0%

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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 %
	FY 2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	FY 2022-2023	FY 2022-2023		
Receipts							
Totals	145,087,603	12,057,135	0	157,144,738	74,351,149	82,793,589	47.3%

Explanatory Notes.


(a) During the FY 2022/2023 total undisbursed fund from the board was Ksh.58,087,604 which included Ksh.19,301,752 conditionally approved in the proposal. Additionally, there was a collection of Ksh.4,500 as AIA in the financial year and an unapproved AIA of Ksh.141,740 cumulative collected AIA from previous financial years.

(b) Late disbursements from the board resulted to underutilization of funds with some funds being credited in the account in the last week of the last quarter of the financial year 2022/2023.


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	82,793,589
Less undisbursed funds receivable from the Board as at 30 th June 2023	58,092,104
	24,701,486
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Add AIA	4,500
Cash and Cash Equivalents at the end of the 30 th June 2023	24,705,986

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The Constituency financial statements were approved by NG CDFC on 2/04 2024 and signed by:



Fund Account Manager
Gumato Sharamo



National Sub-County Accountant
Lucas Oketch
ICPAK M/No: 17541



Chairman NG-CDF Committee
Evanson Moturi

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XIII. Budget Execution By Sectors And Projects For The Year Ended 30th 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
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,160,950	2,223,312	-	6,384,262	3,218,807	3,165,455
1.2 Committee allowances	1,233,000	788,632	-	2,021,632	1,095,000	926,632
1.3 Use of goods and services	3,311,306	1,046,649	-	4,357,955	1,886,275	2,471,680
2.0 Monitoring and evaluation						
2.1 Capacity building	1,708,000	1,032,943	-	2,740,943	2,170,842	570,101
2.2 Committee allowances	721,000	299,743	-	1,020,743	784,000	236,743
2.3 Use of goods and services	1,923,628	156,516	-	2,080,144	1,476,200	603,944
3.0 Emergency						
3.1 Primary Schools	-	-	-	-	-	-
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilized	7,636,190	-	-	7,636,190	-	7,636,190
4.0 Bursary and Social Security						
4.1 Secondary Schools	28,000,000	2,915,838	-	30,915,838	30,910,000	5,838
4.2 Tertiary Institutions	20,000,000		-	20,000,000	20,000,000	-
4.3 Social Security		3,100,000	-	3,100,000	-	3,100,000

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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			
4.4 Special	2,000,000		-	2,000,000	1,995,000	5,000
5.0 Sports						
5.1 Constituency Sports Tournament	2,381,752	46	-	2,381,798	-	2,381,798
5.2 Regional Sports Activities	520,000	-	-	520,000	-	520,000
6.0 Environment						
6.1 Constituency Environmental activities	-	793	-	793	-	793
6.2 Karen C primary school-energy saving jikos	-	340,000	-	340,000	340,000	-
6.3						
7.0 Primary Schools Projects						
7.1 Uhuru Gardens Primary School	4,500,000	-	-	4,500,000	-	4,500,000
7.2 Langata Road Primary School	540,000	-	-	540,000	-	540,000
7.3 Joash Olum Highrise Primary School	1,500,000	-	-	1,500,000	1,500,000	-
7.4 Madaraka Primary School	540,000	-	-	540,000	-	540,000
7.5 Karen C Primary School	540,000	-	-	540,000	-	540,000
7.6Kongoni Primary School	540,000	-	-	540,000	-	540,000
7.7 Langata West Primary School	540,000	-	-	540,000	-	540,000
7.8 Ngong Forest Primary School	540,000	-	-	540,000	-	540,000
8.0 Secondary Schools Projects						
8.1 Karen C Girls Secondary	4,000,000	-	-	4,000,000	4,000,000	-

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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			
School						
8.2 Karen C Girls Secondary School	10,000,000	-	-	10,000,000	-	10,000,000
8.3 Kongoni Mixed Day Secondary School	18,000,000	-	-	18,000,000	-	18,000,000
8.4 Kongoni Mixed Day Secondary School	2,860,000	-	-	2,860,000	1,200,000	1,660,000
9.0 Tertiary institutions Projects						
9.1 Langata TVC	3,590,025	-	-	3,590,025	3,590,025	-
10.0 Security Projects						
10.1 Langata Police station	-	1,500	-	1,500	-	1,500
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
11.2 Construction of CDF office	-	4,923	-	4,923	-	4,923
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-	-
12.0 Others						
12.1 Strategic Plan	3,500,000	-	-	3,500,000	-	3,500,000
12.2 Oversight Committee	1,000,000	-	-	1,000,000	185,000	815,000

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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			
Unapproved projects	19,301,752	-	-	19,301,752	-	19,301,752
AIA	-	146,240	-	146,240	-	146,240
PMC savings	-	-	-	-	-	-
Total	145,087,603	12,057,135	-	157,144,738	74,351,149	82,793,589

XIV. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022/2023	2021/2022
NGCDF Board	Kshs	Kshs
AIE NO. B140978		33,000,000
AIE NO. B140812		3,600,000
AIE NO. B105493		44,000,000
AIE NO. B105841		22,000,000
AIE NO. B128589		5,000,000
AIE NO. B128901		12,000,000
AIE NO. B154098		15,000,000
AIE NO. B164433		20,000,000
AIE NO. B155868		19,088,879
AIE NO. B155984		12,088,879
AIE NO. B185145	7,000,000	
AIE NO. B185547	6,000,000	
AIE NO. B185681	15,000,000	
AIE NO. B206201	5,000,000	
AIE NO. B206446	12,000,000	
AIE NO. B205956	12,000,000	
AIE NO. B207553	15,000,000	
AIE NO. B207835	15,000,000	
TOTAL	87,000,000	185,777,758

2. Proceeds From Sale of Assets

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

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3. Other Receipts

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	4,000
Hire of plant/equipment/facilities	4,500	-
Other Receipts Not Classified Elsewhere	-	-
Total	4,500	4,000

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

NG-CDFC Basic staff salaries	2,394,427.00	3,240,360
Personal allowances paid as part of salary		
House Allowance	114,000.00	-
Transport Allowance	59,500.00	-
Leave allowance	-	-
Gratuity to contractual employees	597,840.00	1,568,835
Employer Contributions Compulsory national social security schemes	53,040.00	33,600
Total	3,218,807	4,842,795

5. Committee Expenses

Sitting allowance	1,095,000	1,531,600
Other committee expenses	784,000	1,530,000
Total	1,879,000	3,061,600

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6. Use of Goods and services

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
Utilities, supplies and services	38,000	1,925
Communication, supplies and services	447,920	189,000
Domestic travel and subsistence	490,158	510,000
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,170,842	2,670,400
Hospitality supplies and services	1,341,200	900,000
Insurance costs	-	704,015
Specialized materials and services	287,168	167,620
Office and general supplies and services	748,029	1,483,856
Fuel, oil & lubricants	-	-
Other operating expenses	-	1,023,040
Bank Charges	10,000.00	-
Security operations	-	-
Routine maintenance – vehicles and other transport equipment	-	39,000
Routine maintenance – other assets	-	29,640
Total	5,533,317	7,718,496

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022/2023	2021/2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	1,500,000	2,650,000
Transfers To Secondary Schools (See Attached List)	5,200,000	96,519,059
Transfers To Tertiary Institutions (See Attached List)	3,590,025	
Total	10,290,025	99,169,059

8. Other Grants and Other transfers

	2022/2023	2021/2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	30,910,000	49,637,517
Bursary – tertiary institutions (see attached list)	20,000,000	30,340,483
Bursary – special schools (see attached list)	1,995,000	-
Mock & CAT (see attached list)	-	-
Social Security program (NHIF)	-	1,100,000
Security projects (see attached list)	-	2,480,000
Sports projects (see attached list)	-	4,211,300
Environment projects (see attached list)	340,000	-
Emergency projects (see attached list)	-	7,192,207
Roads projects (see attached list)	-	-
Total	53,245,000	94,961,507

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	289,000
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	289,000

10. Other Payments and Oversight Committee Expenses

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
Strategic plan	-	-
Oversite Committee	185,000	-
	185,000	-

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11. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
<i>EQUITY BANK LIMITED, LANGATA NG-CDF</i>	24,705,987	12,052,635
Total	24,705,987	12,052,635
11 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

12. Outstanding Imprests

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

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Notes to the Financial Statement Continued

13. Retention

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

14. Gratuity

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

15. Fund Balance B/F

	<i>(1st July 2022)</i>	<i>(1st July 2021)</i>
	Kshs	Kshs
Bank accounts	12,052,635	36,313,334
Cash in hand	-	-
Imprest	-	-
Total	12,052,635	36,313,334
Less	-	-
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	-	-

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16. Prior Year Adjustments

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2022/2023	2021/2022
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	2,890,000	4,417,000
Imprest surrendered during the Year (C)	2,890,000	4,417,000
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

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

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

	2022/2023	2021/2022
	Kshs	Kshs
NGCDFC Staff	223,857	353,586
Others (<i>specify</i>)	-	-
Total	223,857	353,586

19.3: Unutilized Fund (See Annex 3)

	2022/2023	2021/2022
	Kshs	Kshs
Compensation of employees	3,165,455	2,223,312
Committee expense	2,705,100	936,000
Use of goods and services	2,104,000	2,388,483
Amounts due to other Government entities (see attached list)	37,400,000	-
Amounts due to other grants and other transfers (see attached list)	13,651,119	6,358,178
Acquisition of assets	4,923	4,923
Oversight Committee Expenses	815,000	-
Others - Strategic plan	3,500,000	-
Funds pending approval	19,447,992	141,740
Total	82,793,589	12,052,635

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18.4: PMC account balances (See Annex 5)

PMC account balances (see attached list)	7,980,812	47,095,496
Total	7,980,812	47,095,496

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				
1. SALLY MUMBI WANDATI	Accounts Assistant	1/2/2023	61,304	
2. JACINTA KAMAISI	Secretary	1/2/2023	35,924	
3. MOURINE ACHIENG AUCH	Office Cleaner	1/2/2023	20,105	
4. WALTER MAGOMBA OTIENO	Records Officer	1/2/2023	28,165	
5. JACINTA NDUGUYA	Administrative Officer	1/2/2023	23,250	
6. KENNEDY MASIKA	Clerk of Works	1/2/2023	39,024	
7. PAUL MASWAI	Messenger	1/2/2023	16,084	
Sub-Total			223,857	
Grand Total			223,857	

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Compensation of employees	To cater for employees basic salaries	3,165,455	2,223,312	The amount had been budgeted up to Dec 2023 to ensure continuity of office in the event that there is delay in disbursement of funds
Use of goods & services	Used to cater for admin and monitoring expenditure	4,809,100	3,324,483	Late disbursements of funds caused delay in utilization of funds
Amounts due to other Government entities				
Uhuru Gardens Primary School	For drilling and equipping of a borehole	4,500,000	-	Late disbursements of funds caused delay in utilization of funds
Langata Road Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Madaraka Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Karen C Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Kongoni Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Langata West Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Ngong Forest Primary School	Purchase of 90 lockers and chairs	540,000	-	Late disbursements of funds caused delay in utilization of funds
Kongoni Mixed Day Secondary School	Purchase of office furniture and lockers and chairs	1,660,000	-	Late disbursements of funds caused delay in utilization of funds
Karen C Secondary School	For construction of Library	10,000,000	-	Funds had not been disbursed at the end of the financial year.

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Kongoni Mixed Day Secondary School		18,000,000		Funds had not been disbursed at the end of the financial year
Sub-Total		37,400,000	-	
Amounts due to other grants and other transfers				
Bursary and Social Security	To cater for social security programmes to pay for vulnerable constituents NHIF	3,110,838	6,015,838	Vetting of applicants was ongoing therefore there was under utilization of the fund.
Constituency sports tournament	For sports equipment and tournaments	2,901,798	46	
Langata police station		1,500	1,500	
Constituency Environmental activities		793	340,793	
Emergency	To cater for emergency occurrence in the financial year.	7,636,190	-	There had been no emergency occurrence in the financial year therefore funds had not been prioritized.
Sub-Total		13,651,119	6,358,178	
Acquisition of assets				
Langata NG-CDF Office		4,923	4,923	
Oversight Committee Expenses(itemize)			-	
Accommodation Allowance	To cater for oversite committee accommodation expenses	200,000	-	Funds had not been disbursed at the end of the financial year
Catering Services (receptions), Accommodation, Gifts, Food and Drinks	To cater for oversite	112,000	-	Funds had not been disbursed at the end of the financial year

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
	committee expenses			
Hire of Training Facilities and Equipment	To cater for oversite committee expenses	70,000		Funds had not been disbursed at the end of the financial year
Hire of Transport	To cater for oversite committee expenses	50,000		Funds had not been disbursed at the end of the financial year
COC Sitting allowances	To cater for oversite committee expenses	200,000		Funds had not been disbursed at the end of the financial year
Telephone, Telex, Facsimile and Mobile Phone Service	To cater for oversite committee expenses	30,000		Funds had not been disbursed at the end of the financial year
Travel Allowance on training	To cater for oversite committee expenses	100,000		Funds had not been disbursed at the end of the financial year
Travel Costs (airlines, bus, railway, mileage allowances, etc.)	To cater for oversite committee expenses	53,000		Funds had not been disbursed at the end of the financial year
Sub-Total		815,000	-	
Others (specify)			-	
5-year strategic plan	To cater for the development of a 5 year strategic plan	3,500,000	-	Late disbursements of funds caused delay in utilization of funds

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Name	Brief Transaction Description	Outstanding Balance 2022/2023	Outstanding Balance 2021/2022	Comments
Sub-Total		3,500,000	-	
Funds pending approval - Sale of Tenders and Hire of NG-CDF Hall	Unapproved funds for construction of a modern Kitchen and storm water drainage system as well as AIA received in current and previous financial years.	19,447,992	141,740	Required documents have been submitted to the board for approval.
Grand Total		82,793,589	12,052,635	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	12,117,704	-	-	12,117,704
Transport equipment	-	-	-	-
Office equipment, furniture, and fittings	2,970,060	-	-	2,970,060
ICT Equipment, Software and Other ICT Assets	388,000	-	-	388,000
Other Machinery and Equipment	1,656,319	-	-	1,656,319
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	17,132,083	-	-	17,132,083

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

PMC	Bank	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Highrise Primary School	Equity-Nairobi West	1280270915693	1,595,097	185,098
Kongoni Primary School	Equity-Nairobi West	1280271386853	31,222	31,223
Ngong Forest Primary School	Equity-Nairobi West	1280270915749	419	419
Langata Road Primary School	Equity-Nairobi West	1280271386731	3,102	3,102
Langata West Primary School	Equity-Nairobi West	1280271386573	1,737	137,738
Karen C Secondary School	Equity-Nairobi West	1280271386930	4,003,061	663,062
Karen C Primary School	Equity-Nairobi West	1280271347142	187,345	187,345
Uhuru Gardens Primary School	Equity-Nairobi West	1280271386624	1,835	1,835
Madaraka Primary School	Equity-Nairobi West	1280271347202	91,462	294,628
Langata Dcc Office	Equity-Nairobi West	1280271472120	3,758	74,134
Ngei Primary School	Equity-Nairobi West	1280277203524	385	385
Langata Barracks Primary	Equity-Nairobi West	1280277205514	24,446	24,446
St.Marys Karen Primary School	Equity-Nairobi West	1280277205076	3,060	3,060
Langata High School	Equity-Nairobi West	1280277202596	184,374	184,374
Silanga Chiefs Camp	Equity-Nairobi West	1280276809459	2,707	2,707
Nairobi West Prison	Equity-Nairobi West	1280277541814	7,328	7,328
Langata Barracks Secondary	Equity-Nairobi West	1280277541713	83,380	83,380
Langata Police Station	Equity-Nairobi West	1280279905565	68,384	68,384

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PMC	Bank	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Mugumoini Chiefs Camp	Equity-Nairobi West	1280280850667	10,380	10,380
Kongoni Secondary School	Equity-Nairobi West	1280280787748	1,613,167	45,068,306
Security of Government Buildings (SGB)	Equity-Nairobi West	1280282009421	64,163	64,163
Total			7,980,812	47,095,496

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
4.4	<p>The statement of receipts and payments revealed that an amount of Kshs.99,169,059 was disbursed to other Government entities. Out of this amount, Kshs.84,300,000 was disbursed to Kongoni Secondary School for construction of two (2) storey building comprising of nine classrooms block, administration block with twenty offices, secretarial pool, bathrooms, staff room and 24 door ablution block. The contract was competitively awarded to M/S Pristin Supplies Limited at a contract sum of Kshs.92,417,657.</p> <p>Further, examination of documents available in the project file revealed that a variation totalling to Kshs.18,795,480 was requested by the contractor and approved by an appointed variations committee in conjunction with the project architect from the Ministry of Transport, Infrastructure, Housing, Urban</p>	<p><i>During the year under review, the implementation of this project was ongoing and as much as the variation was realized at the foundation stage. The Public Procurement and Asset Disposal Act 2015, S.139 (4) states that a variation can only be considered after twelve (12) months from the date of signing a contract. To have such an allocation, Langata NG-CDF Committee included it in the 2022/2023 Financial Year's proposal, whose request has been approved and thus the project is envisioned to be completed in due course. Attached is the BoQ from the Ministry of Transport, Infrastructure, Public Works, Housing and</i></p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
	<p>Development and Public Works on 28 September, 2022 and 9 November, 2022 respectively. The varied BQ was however not signed by the Architect. It was further noted that the Project Management Committee (PMC) approved down scaling of specific works valued at Kshs.18,795,480 to cater for the variation. This resulted to the contractor handing over completed block comprising of 9 classrooms and 18 door ablution block leaving undone; the administration block with twenty offices, secretarial pool, bath rooms, staff room and 6 door ablution block. The completed works were handed over on 17 January, 2023 to the PMC after a certificate of practical completion of the scaled down works which was issued on 20 December, 2022. Physical verification carried out on 8 March, 2023 revealed that the scaled down works were indeed completed, and the contractor had left the site. However, the Fund Management did not provide details as to when the outstanding works as per the original contract, which</p>	<p><i>Urban Development, (Annex I) and the approved codelist from NG-CDF Board</i></p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
	include administration block with twenty offices, secretarial pool, bathrooms, staff room and 6 door ablution block for the project to be complete would be carried out.			
4.5	<p>Bursary funds</p> <p>The statement of receipts and payments reflects other grants and other transfers amounting to Kshs.94,961,507 as disclosed under Note 7 to the financial statements. Included in this amount is Kshs.79,978,000 which was disbursed to tertiary and secondary school students as bursary. Audit review of the process of awarding the bursary revealed the following.</p> <ul style="list-style-type: none"> Although the National Government Constituency Development Fund had a sub-committee for bursary vetting and allocation, some of the bursary forms from the applicants were not signed by the sub-committee members. Recommendations as whether to award bursary or decline was also lacking. 	<ul style="list-style-type: none"> Due massive bursary application, the Education bursary, mock examinations and continuous assessment test sub-committee gave a recommendation to the main committee to sign the successful bursary applicants. However, the unsuccessful applicants were contacted through phone calls and informed the reason to why they did not qualify. Langata NG-CDF Management has taken note of this recommendation and it shall improve and have a specific 	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
	<ul style="list-style-type: none"> The Fund had no specific bursary identification criteria for vetting bursary applicants. Only less than 30% of the successful applicants returned acknowledgment receipts to the NG-CDF office. The Fund Committee issued individual cheques to students of the same school instead of writing one cheque to the school and a schedule attached with names of the beneficiaries. 	<p><i>bursary award criterion to ensure that bursary awarded is first weighted.</i></p>		

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Gumato Sharamo.