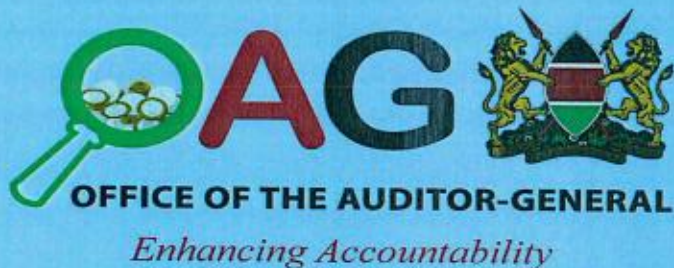


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS 1010

DATE: 22 FEB 2023 Wednesday

TABLED BY: Leader of the Majority Party

CLERK AT THE TABLE: Mado

REPORT
OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND - KURESOI SOUTH CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**

Amended Financial Statements.



KURESOI SOUTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Table of content	page
<i>I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....</i>	<i>2</i>
<i>II. NG-CDFC CHAIRMAN'S REPORT.....</i>	<i>6</i>
<i>III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES.....</i>	<i>10</i>
<i>IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING... </i>	<i>12</i>
<i>V. STATEMENT OF MANAGEMENT RESPONSIBILITIES.....</i>	<i>15</i>
<i>VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- KURESOI SOUTH CONSTITUENCY.....</i>	<i>16</i>
<i>VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021 ...</i>	<i>17</i>
<i>VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021.....</i>	<i>18</i>
<i>IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021</i>	<i>19</i>
<i>X. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30 JUNE 2021</i>	<i>20</i>
<i>X. BUDGET EXECUTION BY SECTORS AND PROJECTS.....</i>	<i>22</i>
<i>XI. SIGNIFICANT ACCOUNTING POLICIES.....</i>	<i>27</i>
<i>XII. NOTES TO THE FINANCIAL STATEMENTS.....</i>	<i>31</i>
<i>ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE</i>	<i>38</i>
<i>ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES.....</i>	<i>39</i>
<i>ANNEX 3 – UNUTILIZED FUND</i>	<i>40</i>
<i>ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER.....</i>	<i>42</i>
<i>ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021</i>	<i>43</i>
<i>ANNEX 6 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS. Error! Bookmark not defined.</i>	

I. 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 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

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

Functions of NG-CDF Committee

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

b) Key Management

The Kuresoi South 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)

c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Evans Machira
2.	Sub-County Accountant	Richard Langat
3.	Chairman NGCDFC	Wilson Bii
4.	Member NGCDFC	Peter Korir

d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kuresoi South 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.

e) Kuresoi South Constituency NGCDF Headquarters

P.O. Box 112-20131
NGCDF Building
Molo - Olenguruone Road
Keringet, KENYA

f) Kuresoi South Constituency NGCDF Contacts

Telephone: (254) 722320794
E-mail: kuresoisCDF@gmail.com
Website: www.go.ke

g) Kuresoi South Constituency NGCDF Banker

Equity Bank
Molo Branch
P.O. Box 927-20106 Molo
MOLO

h) Independent Auditors

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

i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



**MR. WILSON BII - KURESOI
SOUTH CONSTITUENCY NG-CDF
CHAIRMAN**

The Kuresoi South National Government Constituency Development Fund in the 2020-2021 financial years had a total receipt of Kshs. 160,767,724 which is inclusive of balance brought forward from the financial year 2019/2020. During the financial year 2020/2021 Kshs. 144,141,093 was spent thus leaving a balance of Kshs. 16,731,631 unspent. The undisbursed fund from the board for this financial year is Ksh. 45,688,879. Our utilization budget was at 62%. The NG-CDFC has been able to give bursary to more than five thousand students in secondary and tertiary institutions. The fund also was disbursed to various development works in the constituency in the education and security sector.

The committee ensures that all the development projects are to completion and those that are incomplete are given priority in funding. Some of the projects implemented in the year are shown below.

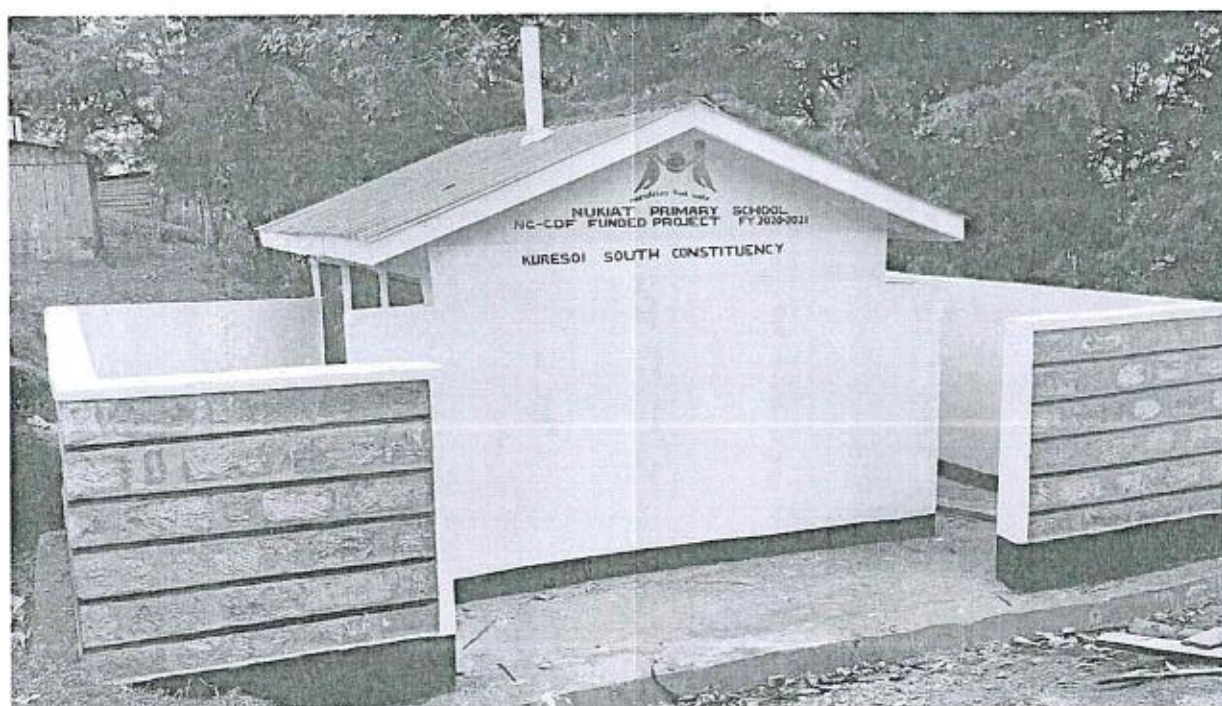
We look forward to better performance in the next financial year 2021/2022



Chemaner Secondary School | Construction of an Administration Block | Tinet Ward | Cost 2,500,000



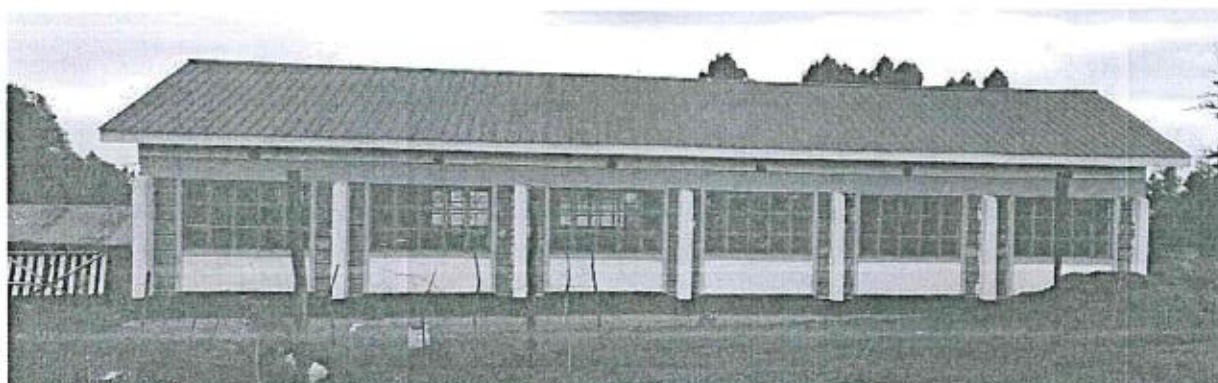
Tinnet Chief's Hall | Construction of a Multi-Purpose Hall | Tinnet Ward | Cost 2,600,000



Nukiat Primary School | Construction of 6 No. Doors Girl's Pit Latrine | Amalo Ward | Cost 600,000



Cherokyet Primary School | Construction of 2 No. Classrooms | Tinnet Ward | Cost 1,500,000



Kapkeet Primary School | Construction of 2 No. Classrooms | Tinnet Ward | Cost 1,500,000



Keringet Boarding Primary School | Construction of 80 beds boy's dormitory | Keringet Ward | Cost 3,100,000



Ngorofa Secondary School | Construction of a multi-purpose hall | Amalo Ward | Cost 3,200,000

CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

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 Kuresoi South Constituency:

- Increase the number of classes in the constituency to comfortably have 80% of the students in the constituency accommodated.
- Improve on security infrastructure to curb crime in the constituency.
- Increase tertiary institutions in the constituency to allow the growth and learning of alternative skills.
- Empower constituents to afford 100% transition from primary to secondary schools through bursary funding.
- To improve the environment by planting more trees and also increasing more water harvesting solutions.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	-To increase basic and secondary school completion cycles by liaising with school's administration to identify most vulnerable and deserving bursary cases whilst improving institutions physical infrastructure	Increased enrolment in primary and secondary schools and improved infrastructure in institutions	-Number of usable physical infrastructure build in primary, secondary institutions	In FY 20/21 -we increased number of classrooms from 30 that was implemented in the previous year to 43 and 3 completed dormitories, 2 administration blocks
Security	-To support security agencies for better service delivery through infrastructure development	-Reduced number of crime rates in the constituency - Improved physical security infrastructure	-Number of security infrastructure constructed	In the FY 2020/2021 the NG-CDFC completed 2 police posts and ensured they are connected to

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

		i.e. National Police Service and National Government Administration offices (DCC, ACC, Chiefs)		power.
Environment	-To enhance sustainable environmental management -To increase forest cover and enhance agro-forestry at household level	-Enhanced water harvesting, programs in institutions	-Number of water tanks installed in education institutions	- In the financial year 2020/2021 27 schools benefitted with 10,000 litres water tanks for tapping rain water for school consumption.
Sports	-To engage the youths on sport activities to promote talent, peace and unity	- United youths on matters of development. Improved talents in sport activities	-Number of youths engage in sport activities -new number of sports talents within the constituency	In the financial year 2020/2021 teams drawn across the constituency held tournaments and winning teams awarded with trophies. also, the teams benefitted with balls and sport uniforms

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Kuresoi South 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 marginalized groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

NGCDF- Kuresoi South Constituency environmental programs are guided by an environmental policy. In the financial year 2019/2020 and 2020/2021 the NG-CDFC allocated Kshs. 2,700,000 and Kshs. 1,300,000 respectively for various environmental activities in different learning institutions within the constituency. The NG-CDFC has successfully conducted environmental projects over the years. They have employed various strategies to mitigate shortcomings that come along with these projects. For instance, the NG-CDFC made an analysis on the impact of environment projects which

have been implemented over the past years and resolved to plan on implementing more of water harvesting projects in learning institutions since it has proven to have a big impact compared to other projects implemented in the previous financial years. On matters managing the biodiversity differences the NG-CDFC have ensured that the government legislations on environment are followed, they have also educated the residents of Kuresoi South Constituency on environment matters and have promoted conservation of nature. The NG-CDFC also has embraced a policy on waste management by ensuring reduction on waste, reuse and recycling. Thus, ensuring that all the projects implemented causes no harm to the environment.

3. Employee welfare

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

Kuresoi South NGCDF Constituency is committed to fair and ethical market practices. The Procurement of goods and services 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 practices 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 interests

5. Community Engagements-

Kuresoi South NGCDF has endeavored 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.

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

V. 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-Kuresoi South 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, 2021. 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-Kuresoi South 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Kuresoi South 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.

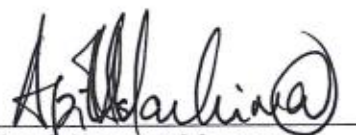
The Accounting Officer in charge of the NGCDF Kuresoi South Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used 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-Kuresoi South Constituency financial statements were approved and signed by the Accounting Officer on 8th September 2022.



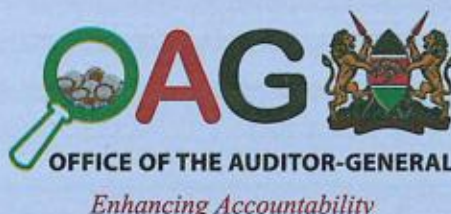
Chairman NGCDF Committee
Name: Wilson Bii



Fund Account Manager
Name: Evans Machira

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KURESOI SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 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 - Kuresoi South Constituency set out on pages 17 to 46, which comprise the statement of assets and liabilities as at 30 June, 2021, and the

Report of the Auditor-General on National Government Constituencies Development Fund - Kuresoi South Constituency for the year ended 30 June, 2021

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kuresoi South Constituencies Development Fund as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1 Use of Goods and Services

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.11,192,365 as disclosed in Note 5 to the financial statements against a recomputed amount of Kshs.8,685,655, resulting into an unreconciled amount of Kshs.2,506,710. Further, the comparative use of goods and services expenditure of Kshs.6,179,765 varies with the recomputed amount of Kshs.3,664,906 resulting to an unreconciled variance of Kshs.2,514,859.

1.2 Compensation of Employees

The statement of receipt and payments reflects compensation of employees' expenditure of Kshs.3,635,664 as disclosed in Note 4 to the financial statements, which differs with the supporting payroll amount of Kshs.3,856,412 resulting into an unreconciled variance of Kshs.220,748.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Unsupported Committee Expenses

The statement of receipts and payments reflects use of goods and services balance of Kshs.11,192,365 as disclosed in Note 5 to the financial statements. The balance includes an amount of Kshs.4,333,000 incurred on committee expenses out of which an amount of Kshs.1,401,000 was payment for the facilitation of the monitoring and evaluation exercises. However, the evaluation reports and motor vehicle work tickets were not provided for audit to support the expenditure.

In the circumstances, accuracy and completeness of committee expenses of Kshs.1,401,000 could not be confirmed.

3. Unsupported Other Grants and Other Payments

The statement of receipts and payments reflects other grants and transfers balance of Kshs.52,253,063 as disclosed in Note 7 to the financial statements. The balance includes bursary payments in respect of students in tertiary institutions of Kshs.15,889,300 out of which an amount of Kshs.1,990,000 were granted to beneficiaries whose names and admission numbers were not provided for audit. Further, an expenditure of Kshs.5,439,131 was incurred towards sports projects. However, the inspection and acceptance committee certificate, store receipt and issue records including the beneficiaries list were not provided for audit review.

In the circumstances, accuracy and validity of bursary payments Kshs.1,990,000 and sports projects Kshs 5,439,131 could not be confirmed.

4. Unconfirmed Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.18,889,140 as disclosed in Note 10 to the financial statements. However, the bank reconciliation statement reflects payments in cash book not in bank (unpresented cheques) of Kshs.4,592,346, out of which there were stale cheques of Kshs.605,352 that had not been reversed in the cash book. Further, the statement reflects payments in the bank but not in cash book of Kshs.226,598 that were not updated in the cash book since March, 2018.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.18,889,140 as at 30 June, 2021 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 - Kuresoi South 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.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual receipts on comparable basis of Kshs.208,719,110 and Kshs.145,472,724, respectively resulting into an under-funding of Kshs.45,688,879 or 22% of the budget. Similarly, the Fund spent

Kshs.144,141,093 against an approved budget of Kshs.208,719,110 resulting into an under-expenditure of Kshs.64,578,018 or 31 % of the budget.

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

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Prepare a Strategic Plan

The Fund Management failed to prepare a strategic plan contrary to Section 68 (2) (g) of the Public Finance Management Act, 2012 that requires an Accounting Officer to prepare a strategic plan in conformity with the medium-term fiscal framework and fiscal policy objectives of the National Government.

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

2. Non-Utilization of Project at Kimuroroch Secondary School

The statement of receipts and payments reflects transfers to other government units of Kshs.77,060,000 as detailed under Note 6 to the financial statements. Included in the balance is Kshs.600,000 for the construction of a six (6) door pit latrine. However, project bank statements and project committee members details were not provided for audit. This is contrary to Regulation 11(1)(o) of National Government Constituencies Development Fund Regulations, 2016 that requires the Constituency Committee to ensure the formation of Project Management Committee, opening project accounts, project implementation and closure of projects. Further, project verification carried out on 18 May, 2022, observed that despite the project being completed, the school had no students for a period in excess of two years and pit latrine had not been put to use.

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

3. Failure to Update the Assets Register

The statement of receipts and payments reflects use of goods and services balance of Kshs.11,192,365 out of which Kshs.200,000 was incurred on specialized materials and services in respect of purchase of a braille machine. However, there was no evidence that these assets acquired were included in the fixed assets register. This is contrary to the provisions of Section 162(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer of a procuring entity to ensure that all inventory, stores and assets purchased be received and taken on charge as a basis for ensuring that all procured items are properly accounted for and put in proper use as intended by the procuring entity. The assets remained unrecorded and therefore could not be verified.

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 processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's 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 the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 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 the 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.



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 September, 2022

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDING 30 JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	160,767,724	68,000,000
Proceeds from Sale of Assets	2		
Other Receipts	3	<u>105,000</u>	
TOTAL RECEIPTS		160,872,724	68,000,000
PAYMENTS			
Compensation of employees	4	3,635,664	3,018,232
Use of goods and services	5	11,192,365	6,179,765
Transfers to Other Government Units	6	77,060,000	22,561,679
Other grants and transfers	7	52,253,063	46,000,251
Acquisition of Assets	8	0	0
Other Payments	9	<u>0</u>	<u>0</u>
TOTAL PAYMENTS		144,141,093	77,759,927
SURPLUS/(DEFICIT)		<u>16,731,632</u>	<u>(9,759,927)</u>

The NGCDF-Kuresoi South Constituency financial statements were approved on 8th September 2022 and signed by:


Fund Account Manager

Name: Evans Machira


National Sub-County
Accountant
Name: Richard Langat
ICPAK M/No: 20224

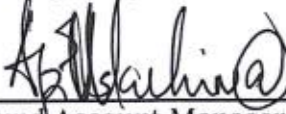

Chairman NG-CDF Committee

Name: Wilson Bii


VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021


	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	18,889,139	2,157,507
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		18,889,139	2,157,507
Accounts Receivable			
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		18,889,139	2,157,507
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	0	0
Gratuity	12B	0	0
TOTAL FINANCIAL LIABILITIES		0	0
NET FINANCIAL ASSETS		18,889,139	2,157,507
REPRESENTED BY			
Fund balance b/fwd	13	2,157,507	11,917,434
Prior year adjustments	14	0	0
Surplus/Deficit for the year		16,731,632	(9,759,927)
NET FINANCIAL POSITION		18,889,139	2,157,507

The NGCDF-Kuresoi South Constituency financial statements were approved on 8th September 2022 and signed by:


Fund Account Manager

Name: Evans Machira


National Sub-County
Accountant
Name: Richard Langat
ICPAK M/No: 20224

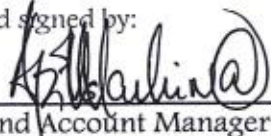

Chairman NG-CDF Committee
Name: Wilson Bii

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

		2020 – 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	160,767,724	68,000,000
Other Receipts	3	105,000	0
Total receipts		160,872,724	68,000,000
Payments for operating activities			
Compensation of Employees	4	3,635,664	3,018,232
Use of goods and services	5	11,192,365	6,179,765
Transfers to Other Government Units	6	77,060,000	22,561,679
Other grants and transfers	7	52,253,063	46,000,251
Other Payments	9	0	0
Total payments		144,141,093	77,759,927
Total Receipts Less Total Payments		16,731,632	(9,759,927)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	0	0
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	0	0
Prior year adjustments	14	0	0
Net cash flow from operating activities		16,731,632	(9,759,927)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	8	0	0
Net cash flows from Investing Activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENT		16,731,632	(9,759,927)
Cash and cash equivalent at BEGINNING of the year	10	2,157,507	11,917,434
Cash and cash equivalent at END of the year		18,889,139	2,157,507

The NGCDF-Kuresoi South Constituency financial statements were approved on 8th September 2022 and signed by:


Fund Account Manager

Name: Evans Machira


National Sub-County Accountant

Name: Richard Langat
ICPAK M/No: 20224


Chairman NG-CDF Committee

Name: Wilson Bii

X. SUMMARY STATEMENT OF APPROPRIATION




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 %
RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	2,157,507	69,367,724	208,614,110	145,367,724	63,246,386	69.7%
Proceeds from Sale of Assets	0	0	0	0	0	0	0.0%
Other Receipts	0	105,000	0	105,000	105,000	0	100.0%
TOTALS	137,088,879	2,262,507	69,367,724	208,719,110	145,472,724	63,246,386	69.7%
PAYMENTS							
Compensation of Employees	3,040,000	36	1,558,866	4,598,902	3,635,664	963,238	79.1%
Use of goods and services	7,324,663	1,055,259	4,319,852	12,699,774	11,192,365	1,507,409	88.1%
Transfers to Other Government Units	77,660,000	31,711	48,168,289	125,860,000	77,060,000	48,800,000	61.2%
Other grants and transfers	44,564,216	1,070,501	7,920,718	53,555,435	52,253,063	1,302,372	97.6%
Acquisition of Assets	0	0	0	0	0	0	0.0%
Other Payments	0	0	0	0	0	0	0.0%
Funds pending approval**	4,500,000	105,000	7,400,000	12,005,000	0	12,005,000	0.0%
TOTALS	137,088,879	2,262,508	69,367,724	208,719,111	144,141,093	64,578,018	69.1%

- I. **Transfers from the NG-CDF Board**
The constituency did not receive all the allocations hence could not translate to 100%. Within the financial year 2020/2021 some of the receipts related to the financial year 2019/2020 in the financial year under review 50% remained unutilized.
- II. **Compensation of employees**
The utilization was at 79% hence leaving 21% remained unutilized. Ksh. 963,238 was for the financial year 2019/2020.ksh. 1,558,866 remained unutilized.
- III. **Use of goods and services**
The utilization was at 88% since some of the activities had not been undertaken under the year of review
- IV. **Transfers to Other Government Units**
The utilization was at 61.2%. This was because the constituency had not received all the funds meant for the year under review.
- V. **Other grants and transfers**
The utilization was at 97.6%. This was also because the constituency had not received all the full disbursement for the year under review.

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	64,578,018
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,688,879
	18,889,139
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	18,889,139

The NGCDF-Kuresoi South Constituency financial statements were approved on 8th September 2022 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: Evans Machira	Name: Richard Langat	Name: Wilson Bii
	ICPAK M/No: 20224	

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization Difference
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,040,000	36	1,558,866	4,598,902	3,635,664	963,238
1.2 Committee allowances	1,141,997	123,080	1,429,820	2,694,897	2,508,995	185,902
1.3 Use of goods and services	2,070,000	78,843	269,000	2,417,843	2,230,620	187,223
Total	6,251,997	201,959	3,257,686	9,711,642	8,375,279	1,336,363
2.0 Monitoring and evaluation				-		-
2.1 Capacity building	800,000	54,400	2,000,000	2,854,400	2,750,000	104,400
2.2 Committee allowances	2,312,666	35,700	-	2,348,366	2,350,700	(2,334)
2.3 Use of goods and services	1,000,000	763,236	621,032	2,384,268	1,352,050	1,032,218
Total	4,112,666	853,336	2,621,032	7,587,034	6,452,750	1,134,284
3.0 Emergency				-		-
3.1 Primary Schools				-		-
Chekiswet primary school	600,000			600,000	600,000	-
Kaplamai primary school	600,000			600,000	600,000	-
Chenugu primary school	600,000			600,000	600,000	-
Kimororoch primary school	600,000			600,000	600,000	-
Sukutek primary school	600,000			600,000	600,000	-
Kapsimbeiywo primary school	1,200,000			1,200,000	1,200,000	-
Keringet estate primary school	1,200,000		1,100,000	2,300,000	2,300,000	-
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects				-		-
Keringet police station			100,000	100,000	100,000	-
Kiptagich ACC office	600,000			600,000	600,000	-
Cheptuech police post	1,150,000			1,150,000	1,150,000	-
3.5 Unutilised	42,207		6,700	48,907	-	48,907
Total	7,192,207	-	1,206,700	8,398,907	8,350,000	48,907
4.0 Bursary and Social Security				-		-
4.1 Secondary Schools	18,000,000	16,501	669,308	18,685,809	15,997,050	2,688,759
4.2 Tertiary Institutions	12,000,000	1,054,001		13,054,001	15,889,300	(2,835,299)
4.3 Social Security				-		-
4.4 Special Needs				-	-	-
Total	30,000,000	1,070,501	669,308	31,739,810	31,886,350	(146,540)
5.0 Sports				-		-
5.1	2,741,778		2,197,354	4,939,132	5,439,131	(499,999)
Total	2,741,778	-	2,197,354	4,939,132	5,439,131	(499,999)
6.0 Environment				-		-
6.1	2,130,232		2,247,354	4,377,586	4,377,582	4
Total	2,130,232	-	2,247,354	4,377,586	4,377,582	4
7.0 Primary Schools Projects				-		-

*Kuresoi South Constituency
Optional Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Arorwet Primary School	750,000			750,000	750,000	-
Chebirwobei Primary School	300,000			300,000	300,000	-
Cheptebes primary school	750,000			750,000	750,000	-
Emitik Primary school	900,000			900,000	900,000	-
Gosemia Primary school	900,000			900,000	900,000	-
Kamwaura Primary School	1,650,000			1,650,000	750,000	900,000
Kapande primary school	600,000			600,000	600,000	-
Kapkali Primary school	750,000			750,000	750,000	-
Kapkeet primary school	1,500,000			1,500,000	1,500,000	-
Kapkores primary school	1,000,000			1,000,000	-	1,000,000
Kaplamai Primary School	400,000			400,000	400,000	-
Kapyemit primary school	750,000			750,000	750,000	-
Keringet Estate Primary school	400,000			400,000	1,200,000	(800,000)
Ketitui Central Primary School	1,000,000			1,000,000	600,000	400,000
Kiborowa Primary school	2,000,000			2,000,000	-	2,000,000
Kimaech primary school	750,000			750,000	750,000	-
Kipkebe primary school	800,000			800,000	-	800,000
Kiptulwo Primary School	600,000			600,000	-	600,000
Kitoben Primary school	750,000			750,000	750,000	-
Maluo primary school	500,000			500,000	-	500,000
Maziwa primary school	850,000			850,000	-	850,000
Ndabibit primary school	500,000			500,000	-	500,000
NgedapKiruk primary school	1,600,000			1,600,000	-	1,600,000
Ngorofa primary school	400,000			400,000	-	400,000
Nukiat Primary school	1,200,000			1,200,000	1,200,000	-
Olenguruone DEB Boarding primary school	1,500,000			1,500,000	750,000	750,000
Saptet primary school (Amalo)	400,000			400,000	-	400,000
Saptet primary school (Keringet)	400,000			400,000	400,000	-
Sinendet primary school	1,500,000			1,500,000	1,200,000	300,000
Lelpanga primary school	850,000			850,000	850,000	-
Soimet primary school	600,000			600,000	-	600,000
Sotiki Primary School	260,000			260,000	260,000	-
Sugutek primary school	1,600,000			1,600,000	-	1,600,000
Tegat primary school	400,000			400,000	400,000	-
Teta Primary School	1,500,000			1,500,000	-	1,500,000
Tilindi Primary School	1,500,000			1,500,000	1,500,000	-
Timbwalo primary school	1,500,000			1,500,000	1,500,000	-
Wamkong Primary School	400,000			400,000	-	400,000
Zibo primary school	750,000			750,000	750,000	-
Tirigoi Primary School		711	599,289	600,000	600,000	-
Mwangate Primary school			750,000	750,000	750,000	-
Ketitui Central Primary School			1,000,000	1,000,000	1,000,000	-
Tuiyobei primary school			750,000	750,000	750,000	-
Saptet primary school			750,000	750,000	750,000	-
Keringet boarding primary school			700,000	700,000	700,000	-
Ogiek primary school			750,000	750,000	750,000	-
Tendwet primary school			500,000	500,000	500,000	-

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Kapungot primary school			400,000	400,000	400,000	-
Chepalungu primary school			750,000	750,000	750,000	-
Tuiyobei primary school			600,000	600,000	600,000	-
Lelaitich primary school			750,000	750,000	750,000	-
Sitotwet primary school			750,000	750,000	750,000	-
Chebotoi primary school			750,000	750,000	750,000	-
Ilelechwet primary school			600,000	600,000	600,000	-
Chepkosigen primary school			600,000	600,000	600,000	-
Cherokyet primary school			750,000	750,000	750,000	-
Mwangate Primary school			750,000	750,000	750,000	-
Barageiwet primary school			750,000	750,000	750,000	-
Kaber primary school			1,000,000	1,000,000	1,000,000	-
Kapmondoi primary school			750,000	750,000	750,000	-
Korao primary school			750,000	750,000	750,000	-
Kaptembwo primary school			670,000	670,000	670,000	-
Kaptembwo primary school			480,000	480,000	480,000	-
Kapnanda primary school			750,000	750,000	750,000	-
Sege primary school			500,000	500,000	500,000	-
Chesarur primary school			750,000	750,000	750,000	-
Bondet primary school			750,000	750,000	750,000	-
Chesoen primary school			750,000	750,000	750,000	-
Kabongoi primary school			750,000	750,000	750,000	-
Kaprengero primary school			750,000	750,000	750,000	-
Cheprokyet primary school			750,000	750,000	750,000	-
Kapkorio primary school			750,000	750,000	750,000	-
Chepalungu primary school			600,000	600,000	600,000	-
Tuiyobei primary school			750,000	750,000	750,000	-
Chebotoi primary school			400,000	400,000	400,000	-
Makicheit primary school			750,000	750,000	750,000	-
Total	34,760,000	711	25,899,289	60,660,000	46,360,000	14,300,000
8.0 Secondary Schools Projects				-		-
Ambusket Secondary School	500,000	-	-	500,000	500,000	-
Barao secondary school	1,500,000	-	-	1,500,000	-	1,500,000
Bararget Secondary School	400,000	-	-	400,000	400,000	-
Chebotoi Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
ChemanerSecondary School	400,000	-	-	400,000	400,000	-
Irongo Secondary School	1,500,000	-	-	1,500,000	-	1,500,000
Kamwaura secondary school	800,000	-	-	800,000	-	800,000
Emitik G School	2,000,000	-	-	2,000,000	-	2,000,000
Keringet Secondary School	7,000,000	-	-	7,000,000	-	7,000,000
Keringet Secondary School	300,000	-	-	300,000	-	300,000
Kimororoch secondary school	600,000	-	-	600,000	600,000	-
Kiptagich Secondary School	7,000,000	-	-	7,000,000	-	7,000,000
Kiptaragon secondary school	800,000	-	-	800,000	-	800,000
Marwa secondary school	4,000,000	-	-	4,000,000	2,000,000	2,000,000
Ngorofa Secondary School	700,000	-	-	700,000	700,000	-
Olunguruone Day Secondary School	500,000	-	-	500,000	500,000	-
Olunguruone Secondary School	1,000,000	-	-	1,000,000	-	1,000,000

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Olunguruone Secondary School	7,000,000	-	-	7,000,000	-	7,000,000
Sinendet secondary school	1,500,000	-	-	1,500,000	1,500,000	-
Tulwet Secondary School	1,000,000	-	-	1,000,000	-	1,000,000
Tulwet Secondary School	400,000	-	-	400,000	400,000	-
Arorwet Girls secondary school		31,000	569,000	600,000	600,000	-
Kaplamai secondary school			750,000	750,000	750,000	-
Ainamoi secondary school			900,000	900,000	900,000	-
Chebotoi Secondary School			1,520,000	1,520,000	1,520,000	-
Irongo Secondary School			1,000,000	1,000,000	1,000,000	-
Ainamoi secondary school			300,000	300,000	300,000	-
Amani secondary school			1,000,000	1,000,000	1,000,000	-
TinetKabongoi secondary school			1,680,000	1,680,000	1,680,000	-
Kapkeet secondary school			1,000,000	1,000,000	1,000,000	-
TinetKabongoi secondary school			1,000,000	1,000,000	1,000,000	-
Kaplamai secondary school			750,000	750,000	750,000	-
Kiplemeiywo secondary school			100,000	100,000	100,000	-
Arorwet Girls secondary school			400,000	400,000	400,000	-
Kaplamboi secondary school			800,000	800,000	800,000	-
Ambusket Secondary School			1,000,000	1,000,000	1,000,000	-
Kiptagich Secondary School			3,800,000	3,800,000	3,800,000	-
Chebotoi Secondary School			1,600,000	1,600,000	1,600,000	-
Ngorofa Secondary School			450,000	450,000	450,000	-
Ngorofa Secondary School			1,050,000	1,050,000	1,050,000	-
ChemanerSecondary School			1,100,000	1,100,000	1,100,000	-
Kaplamboi secondary school			900,000	900,000	900,000	-
Tinet Mix secondary school			600,000	600,000	600,000	-
Ogiek Kwanza Secondary				-	400,000	(400,000)
Total	39,900,000	31,000	22,269,000	62,200,000	30,700,000	31,500,000
9.0 Tertiary institutions Projects				-		-
KMTC Keringet	3,000,000	-	-	3,000,000	-	3,000,000
Total	3,000,000	-	-	3,000,000	-	3,000,000
10.0 Security Projects				-		-
Keringet Police station	1,500,000		-	1,500,000	-	1,500,000
Tinet Chiefs Hall	1,000,000		200,000	1,200,000	1,200,000	-
Silibwet Chiefs office			400,000	400,000	-	400,000
Kiptagich ACC Office			1,000,000	1,000,000	1,000,000	-
Total	2,500,000	-	1,600,000	4,100,000	2,200,000	1,900,000
11.0 Acquisition of assets				-		-
11.1 Motor Vehicles	-		-	-	-	-
11.2 Construction of CDF office	-		-	-	-	-
11.3 Purchase of furniture and equipment	-		-	-	-	-
11.4 Purchase of computers	-		-	-	-	-
Total	-	-	-	-	-	-
12.0 Other payments				-		-
Total	-	-	-	-	-	-
13.0 unallocated fund				-		-
Unapproved projects	4,500,000	105,000	7,400,000	12,005,000	-	12,005,000
AIA				-		-

Kuresoi South Constituency

*Constitutional Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

FMC savings				-		-
Total	4,500,000	105,000	7,400,000	12,005,000	-	12,005,000
TOTAL	137,088,879	2,262,508	69,367,724	208,719,111	144,141,092	64,578,019

XI. 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-Kuresoi South Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Transfers from the National Government Constituency Development Fund (NG-CDF)
Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognized 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 recognizes all payments when the event occurs and the related cash has actually been paid out by the entity.

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to 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.

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

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.

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NOB005055			4,000,000
AIE NOB030032			18,000,000
AIE NOB030082			5,000,000
AIE NOB030463			16,000,000
AIE NOB006410			25,000,000
AIE NO B096968	1	15,000,000	
AIE NO D104627	2	20,000,000	
AIE NO A823656	3	26,967,724	
AIE NO B124579	1	9,000,000	
AIE NO B119527	2	8,500,000	
AIE NO B119917	3	12,000,000	
AIE NO B128158	4	6,900,000	
AIE NO B128471	5	7,000,000	
AIE NO B132215	6	6,000,000	
AIE NO B138883	7	13,000,000	
AIE NO B126177	8	7,000,000	
AIE NO B126472	9	10,600,000	
AIE NO B105144	10	3,400,000	
AIE NOB140615	11	12,000,000	
AIE NO B105176	12	3,400,000	
TOTAL		160,767,724	68,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	105,000	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	105,000	0

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,579,187	2,808,692
Personal allowances paid as part of salary		
House Allowance	0	0
Transport Allowance	0	169,000
Leave allowance	0	0
Gratuity to contractual employees	1,013,277	0
Employer Contributions Compulsory national social security schemes	43,200	40,540
Total	3,635,664	3,018,232

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	4,333,600	1,564,200
Utilities, supplies and services	750,000	18,900
Communication, supplies and services	399,045	0
Domestic travel and subsistence	10,500	954,000
Printing, advertising and information supplies & services	0	172,368
Rentals of produced assets	0	0
Training expenses	2,644,050	0
Hospitality supplies and services	9,300	9,900
Insurance costs	76,700	72,300
Specialized materials and services	200,000	0
Office and general supplies and services	22,600	550,000
Other operating expenses	0	0
Routine maintenance – vehicles and other transport equipment	239,860	323,238
Routine maintenance – other assets	0	0
Fuels, oils and lubricants		
Bank charges		
Other committee expenses		
Total	8,685,655	36,64,906

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	46,360,000	13,341,679
Transfers to secondary schools (see attached list)	30,700,000	8,400,000
Transfers to tertiary institutions (see attached list)	0	820,000
TOTAL	77,060,000	22,561,679

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	15,997,050	15,825,037
Bursary – tertiary institutions (see attached list)	15,889,300	12,475,714
Bursary – special schools (see attached list)	0	0
Mock & CAT (see attached list)	0	0
Social Security programmes (NHIF)	0	0

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Security projects (see attached list)	2,200,000	6,000,000
Sports projects (see attached list)	5,439,131	0
Environment projects (see attached list)	4,377,582	0
Emergency projects (see attached list)	8,350,000	11,699,500
Total	52,253,063	46,000,251

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialized Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
	0	0
Total	0	0

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
	0	0

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Name of Bank, Account No. 0230261796290	18,889,140	2,157,507
Name of Bank, Account No.	0	0
Name of Bank, Account No.	0	0
Total	18,889,140	2,157,507
10B: CASH IN HAND		
Location 1	0	0
Location 2	0	0
Location 3	0	0

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Other Locations (<i>specify</i>)	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: 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>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Name of Officer</i>	dd/mm/yy	0	0	0
<i>Total</i>		0	0	0

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	0	0
Retention held during the year (B)	0	0
Retention paid during the Year (C)	0	0
Closing Retention as at 30 th June D= A+B-C	0	0

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	0	0
Gratuity held during the year (B)	0	0
Gratuity paid during the Year (C)	0	0
Closing Gratuity as at 30 th June D= A+B-C	0	0

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	2,157,507	11,917,434
Cash in hand	0	0
Imprest	0	0
Total	2,157,507	11,917,434

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0	0	0
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
Others (<i>specify</i>)	0	0	0
TOTAL	0	0	0

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2021	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account receivables D= A+B-C	0	0

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	0	0
Others (<i>specify</i>)	0	0
	0	0

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	963,238	571,939
Use of goods and services	1,507,409	6,434,530
Amounts due to other Government entities (see attached list)	48,800,000	55,600,000
Amounts due to other grants and other transfers (see attached list)	1,302,372	8,918,762
Acquisition of assets	0	0
Others (<i>specify</i>)	0	0
Funds pending approval	12,005,000	0
	64,578,019	71,525,231

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	25,063,208	8,421,790
	25,063,208	8,421,790

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	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.					
11.					
12.					
Sub-Total					
Grand Total					

Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		963,238	571,939	
Use of goods & services		1,507,409	6,434,530	
Amounts due to other Government entities		48,800,000	55,600,000	
Kamwaura Primary School	Construction of a classroom and Gate	900,000		
Kapkores primary school	Renovation of 3 No classrooms and fixing of gate	1,000,000		
Ketitui Central Primary School	Completion of 10 no classrooms and fixing of a gate	400,000		
Kiborowa Primary school	Purchase of 2 acres of land	1,200,000		
Kipkebe primary school	Purchase of one acre land	800,000		
Kiptulwo Primary School	Completion of 6 office administration block	600,000		
Maluo primary school	Completion of 2 no classrooms	500,000		
Maziwa primary school	Purchase of one acre land and installation of culvert and fencing	850,000		
Ndabibit primary school	Completion of 1 no library	500,000		
NgedapKiruk primary school	Purchase of 2.5 acres of land	1,600,000		
Ngorofa primary school	Leveling of the field and installation of goal post	400,000		
Olunguruone DEB Boarding primary school	Construction of 2 classrooms	1,500,000		
Saptet primary school (Amalo)	Completion of 1 classroom	400,000		
Sinendet primary school	Construction of 2 door staff toilets	300,000		
Soimet primary school	Purchase of one acre land	600,000		
Sugutek primary school	Completion of 6 no classrooms	1,600,000		
Teta Primary School	Construction of 4 no office administration block	1,500,000		
Wamkong Primary School	Leveling of the field and installation	400,000		
Barao secondary school	Construction of 2 classrooms to completion	1,500,000		
Irongo Secondary School	Completion of 300 student capacity dining hall	1,500,000		
Kamwaura secondary school	Completion of 1 no laboratory	800,000		
Emitik G School	Completion of 80 bed dormitory	2,000,000		
Keringet Secondary School	Purchase of 51 seater bus	7,000,000		
Keringet Secondary School	Completion of 120 bed dormitory	300,000		
Kiptagich Secondary School	Purchase of 51 seater bus	7,000,000		
Kiptaragon secondary school	Completion of 1 no laboratory	800,000		
Marwa secondary school	Construction of 2 classrooms	2,000,000		
Tulwet Secondary School	Completion of 6 no office administration block	1,000,000		

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Olenguruone Secondary School	Completion of 200 students capacity dining hall	600,000		
Olenguruone Secondary School	Purchase of 51 seater bus	7,000,000		
KMTC Keringet	Construction of 4 classrooms to completion	3,000,000		
Sub-Total		51,270,647	62,606,469	
Amounts due to other grants and other transfers		1,302,372	8,918,762	
Silibwet Chiefs office	Construction of 4 door office	400,000		
Keringet Police station	Completion of police headquarters septic tank and chain link wall and gate	853,461		
Environment	Purchase of 5000 litre tank	4		
Emergency	To cater for any unforeseen occurrences	48,907		
Sub-Total		1,302,372	8,918,762	
Acquisition of assets				
Others (specify)				
Sub-Total				
Funds pending approval		12,005,000		
Grand Total		64,578,018	71,525,231	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	89,980	0	0	89,980
Buildings and structures	1,000,000	0	0	1,000,000
Transport equipment	1,000,000	0	0	1,000,000
Office equipment, furniture and fittings	4,143,027	0	0	4,143,027
ICT Equipment, Software and Other ICT Assets	2,000,000	0	0	2,000,000
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	8,233,007	0	0	8,233,007

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021 AND 2022

PMC	Bank	ACCOUNT.NO.	Bank Balance 2020/21	Bank Balance 2019/20
Kapnanda Primary School	Equity	230162801419	56	
Makicheit Primary School	Equity	230169884453	150	30
Ketitui Central Primary School	Equity	230162406746	666,666	131,290
Tuiyobei Primary School Keringet	Equity	230163473417	74,731	-27
Saptet Primary School Amalo	Equity	230162465069	755	1,895
Keringet Boarding Primary School	Equity	230172555967	140	130,500
Ogiek Primary School	Equity	230178737754	670	
Tendwet Primary School	Equity	230162562984	660	
Kapugunot Primary School	Equity	230162803965	38,930	
Ndabibit Primary School	Equity	230162460585		12
Tuiyobei Primary School Amalo	Equity	230162808851	138,190	
Chebotoi Primary School	Equity	230162810306	114,100	
Seger Primary School	Equity	230162917931	50,450	
Kaptembwo Primary School	Equity	230171488676	72,834	
Cherokyet Primary School	Equity	230162546321	198,559	
Ngenda Primary School	Equity	230266395949		162,165
Kaprengero Primary School	Equity	230264407260	302,050	
Barao Primary School	Equity	230169559394		950
Chesarur Primary School	Equity	230170615880	76,855	
Lelechwet Primary School	Equity	230177462596	20	
Sigowet Primary School	Equity	230162799287		163,827
Sitotwet Primary School	Equity	230265136228	96,075	
Lelaitich Primary School	Equity	230162585656	187,048	
Mwangate Primary School	Equity	230162852186	761	
Tirigoi Primary School	Equity	230263589393	760	210
Kaptembwo Primary School	Equity	230171488676	72,834	
Korao Primary School	Equity	230162877299	1,326	
Kapmondoi Primary School	Equity	230180231154	60	
Kaber Primary School	Equity	230162247934	1,402,361	
Saptet Primary School	Equity	230162465069		1,895
Tendwet Primary School	Equity	230162562984		900
Sangawet Primary School	Equity	230263701964		2,520
Chepkosigen Primary School	Equity	230263696349	600,000	
Kitoben Primary School	Equity	230162550455	749,925	
Kirandich Primary School Keringet	Equity	230162811179		75
Zibo Primary School	Equity	230263509117	398,500	
Keringet estate Primary School	Equity	230169801172	351,450	108,860
Tegat Primary School	Equity	230190223963	238,789	
Lelpanga Primary School	Equity	230280823398	174,310	
Kapande Primary School	Equity	230199751823	2,117	
Sinendet Primary School	Equity	230162804109	1,101,200	
Cheptebes Primary School	Equity	230198163071	768,245	
Kapyemit Primary School	Equity	230280716584	196,320	
Chepnyalilo Primary School	Equity	230162802865		3,620
Kaplamai Primary School	Equity	230161759576	399,487	47
Kapkali Primary School	Equity	230280879463	334,400	
Chebirwobei Primary School	Equity	230179206358	29,880	
Gosemia Primary School	Equity	230162798999	335,087	

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Kimaech Primary School	Equity	230161799901	750,001	
Sotiki Primary School	Equity	230161728101	260,032	74,352
Nukiat Primary School	Equity	230280805477	119,750	
Emitik Primary School	Equity	230280719745	300,100	
Ole Tachasis Primary School	Equity	230162803751		5,124
Arorwet Primary School	Equity	230162799754	150,088	
Olenguruone DEB Primary School	Equity	230162838200	751,124	1,214
Kapkeet Primary School	Equity	230264837163	1,499,837	
Timbwalo Primary School	Equity	230170360588	1,500,350	
Tilindi Primary School	Equity	230162906562	288,171	
Chebara Secondary School	Equity	0230166593721		72,627
Kabongoi Primary School	Equity	230162823883	284	
Kapno Primary School	Equity	230169981354		25
Tuiyobei Primary School Keringet	Equity	230163473417	74,731	
Ogiek Kwanza Secondary School	Equity	230280719745	300,100	
Kaplamboi Secondary School	Equity	230178907055	388,025	
Chemaner Secondary School	Equity	230162050130	719	
Tinet Mixed Secondary School	Equity	230264378281	1,100	
Arorwet Girls Secondary School	Equity	230180132276	327,885	
Kaplamai Secondary School	Equity	230263712922	410	
Chebotoi Secondary School	Equity	230162468425	859,152	
Irongo Secondary School	Equity	230162472825	212,015	
Amani Secondary School	Equity	230162459935	529,030	
Ngorofa Secondary School	Equity	230162855293	316,354	35,684
Kiptagich Secondary School	Equity	230162865543	3,919,650	
Ambusket Secondary School	Equity	230170420484	123,582	
Kaplamboi Secondary School	Equity	230162801752		255
Kaplamai Secondary School	Equity	230178907055		80
TinetKapko Secondary School	Equity	230263734007	198,892	
Kapkeet Secondary School	Equity	230169728456	110	590
Tinet-Kabongoi Girls Secondary School	Equity	230263154101	1,027,550	
Ainamoi Secondary School	Equity	230179577461		580,270
Kiplemeiywo Secondary School	Equity	230179103633	510	200
Sinendet Secondary School	Equity	230162804109	1,101,200	
Tulwet Secondary School	Equity	230163314568	420,890	
Marwa Secondary School	Equity	230280805037	30	
Bararget Secondary School	Equity	230179087254	402,400	401,520
Olenguruone Day Secondary School	Equity	230166674527	1,490	61,210
Kimororoch Secondary School	Equity	230177418078	60,140	
Chemaner secondary School	Equity	230162847872		300,000
Kapsimbeiywo Sec School	Equity	230199768023		1,981
Kitaragon Secondary School	Equity	230162825143		184
Tulwet Secondary School	Equity	230163314568		271,190
Chigamba Sec School	Equity	230162828247		149,858
Siwot Sec School	Equity	230266562089		960
Kipngorot Sec School	Equity	230162481404		169,708
Kiptenden Primary School	Equity	230178912906		20
Silibwet Primary School	Equity	230162804020		55
Bararget Primary School	Equity	230167040638		290
Seanin Primary School	Equity	230263520599		125
Kapko Primary School	Equity	230177473132		75,662
Shamba Ndevu Primary School	Equity	230179820577		750,000

*Kuresoi South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Kipsonoi Secondary School	Equity	230162521317	216,848
Bandiat Primary School	Equity	230264108637	445
Kiptenden Tendwet Primary School	Equity	230179738123	10
Kibigeriet Estate Primary School	Equity	230162804058	71,775
Kapkwon Prim ary School	Equity	230190262073	314,526
Leltany Primary School	Equity	230162812562	56,026
Teta Primary School	Equity	230232893634	428,457
Kiptagich Primary School	Equity	230162803993	271,631
Getecha Primary School	Equity	230264108637	445
Tinet Kabongoi Secondary School	Equity	230263154101	27,490
TinetMixed Secondary School	Equity	230264378281	61,340
Kapsimbeiywo Chiefs Office	Equity	230179785628	265,920
Keringet Chiefs' Office	Equity	230170174988	30,660
Siwot Chiefs' Office	Equity	230162798944	30,770
Marwa Primary School	Equity	230162877532	903
Ogiek Primary School	Equity	230178737754	280
Banana Primary School	Equity	230166649966	20
Rwaget Primary School	Equity	230172873672	390
Ngorofa Primary School	Equity	230162481815	74,460
Chigamba Primary School	Equity	230162803730	58,130
Aoon Primary School	Equity	230199752270	15
Kaptembwo Primary School	Equity	230171488676	7,270
Cheram Primary School	Equity	230263814511	240,480
Dos Office Kiptagich	Equity	230177489291	8,020
Keringet Police Station	Equity	230177722048	54,491
Keringet CDF Social Hall	Equity	230264825937	280
Silibwet Chiefs Office	Equity	230178946873	202,670
Emitik Chiefs Office	Equity	230172959955	90
Tinet Chiefs Hall	Equity	230179052155	340
Kiptaragon TTI	Equity	230266568441	153,627
Kipleljin Primary School	Equity	230162808117	74,790
Kimugul Primary School	Equity	230162437731	381,802
Leltany Primary School	Equity	230162812562	56,026
Chenugu Primary School	Equity	230163498564	90
Busiengiruk Primary School	Equity	230178752238	520
Kikoibet Primary School	Equity	230162825364	1290

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1. Error in Reports and Financial Statements	<p>The report and financial statements did not meet the presentation framework of the 2020 issued by the Public Sector Accounting Standards Board as highlighted below;-</p> <ul style="list-style-type: none"> i) Page number 8, 19, 21, 23, and 25 are not legible ii) Headers on pages 20, 22, 24, and 26 are not legible iii) Page 27 and 29 refers to "entity" instead of "National Government Constituencies Development Fund- Kuresoi South Constituency" iv) The Statement of receipts and payments reflects surplus amount of Kshs. 9,759,927 twice, v) Notes to financial statements for transfers to other grants and other payments on page 34 have erroneously included two total figures. vi) Headers on pages 18-27, 42, 44, 46-56 refer to the year ended 2019 instead of 2020. vii) Notes to financial statements for transfers to other government entities on page 34, other grants and other payments on page 34, acquisition of assets on page 35 and other payments on page 35 are wrongly referred to as 1,2,3 and 4 instead of 6,7,8 and 9 respectively. 	All errors and omissions were amended.	Resolved	N/A

