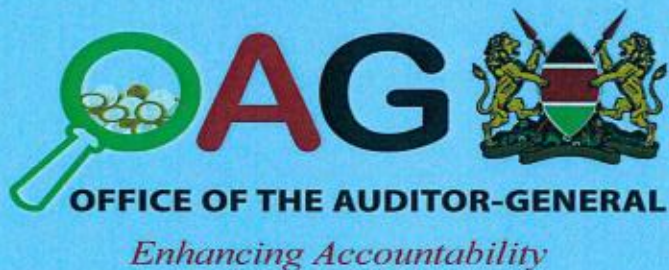


REPUBLIC OF KENYA



REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
TABLED BY:	The Leader of Majority Party (LOM)
CLERK-AT THE TABLE:	Inzofu Mwale

THE AUDITOR-GENERAL

ON

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

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



Revised Template 30th June 2021



ENDEBESS CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2021

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

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

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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 Endebess 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	Benson Tindi
2.	Sub-County Accountant	Jamin Mukapi
3.	Chairman NGCDFC	Gilbert Ngirio
4.	Member NGCDFC	Agnes Wamocho

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Endebess Constituency NG-CDF. 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) Endebess Constituency NGCDF Headquarters

NGCDF Endebess Constituency Headquarters
P.O. Box 29 – 30201,
NG – CDF / Dcc Building,
Kitale – Suam Highway,
Endebess, Kenya

***Endebess Constituency
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(f) Endebess Constituency NGCDF Contacts

Telephone: + 254726271453
Email: cdfendebess@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Endebess Constituency NGCDF Bankers

1. Equity Bank of Kenya
P.O Box 801-30200
Kitale

(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

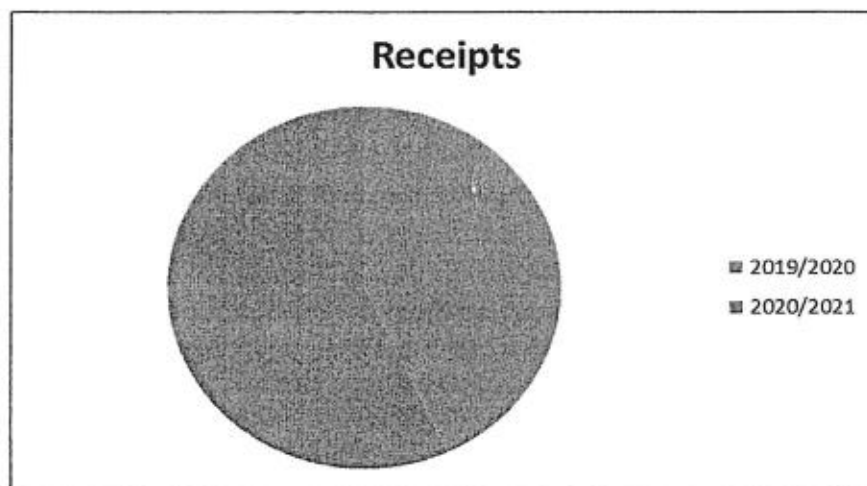
II. NG-CDFC CHAIRMAN's REPORT



**MR. GILBERT NGIRIO
NG-CDFC CHAIRMAN
ENDEBESS CONSTITUENCY**

It is time to say kudos to whoever envisaged the birth of the National Government Constituencies Development Fund (NG-CDF). This fund has made me very proud even as I present the reports and financial statements for Endebess constituency for the financial year ended June 30, 2021. During the period referred to the committee conducted its business. I wish to highlight the following:

In the financial year ended June 30, 2021, the committee was allocated Ksh 137,093,879. Total receipts for the constituency was Ksh 162,277,007 compared to Ksh 123,040,876 in 2019/2020 financial year. With these receipts the committee was able disburse funds to various Project Management Committees to undertake development projects that have are having positive impact in the communities.



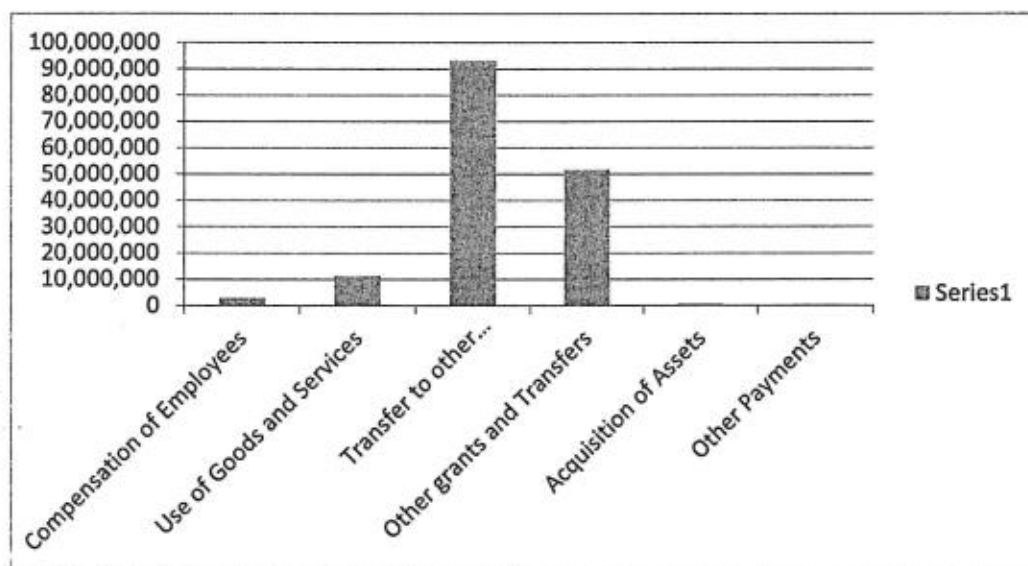
Graph 1: Showing receipts for FY 2020/2021 and FY 2019/2020

To enhance access to basic education the committee utilised Ksh 34,577,000 representing 25.2 % of the total budget towards payment of bursary for students in learning institutions in the republic of Kenya. Of this bursary disbursement Ksh 20,923,000 was utilised towards funding students in secondary schools while Ksh 13,654,000 was used towards supporting learners in tertiary institutions. To further enhance access to education and quality of learning the committee prioritised improvement of schools infrastructure with emphasis on construction of new classrooms

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National Government Constituencies Development Fund (NGCDF)
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rehabilitation of existing ones, construction of twin Science laboratories, dormitories, toilet facilities, multipurpose halls and staff house for teachers. To this end the committee disbursed Ksh 93,325,000 toward infrastructure projects in educational institutions compared to Ksh 85,190,000 in the previous year. Of this, Ksh 19,600, 000 was disbursed to primary schools, Ksh 62,325,000 to secondary schools and Ksh 11,400,000 to tertiary institutions. Ksh 11,315,994 was utilized toward payment for goods and services in 2020/2021 compared to Ksh 7,728,195 in 2019/2020 while Ksh 850,000 only was utilised towards acquisition of assets.

GRAPH SHOWING EXPENDITURES DURING F/Y 2020/2021



Graph 2: Graph showing expenditures during F/Y 2020/2021

In contacting the constituency's mandate, the committee experienced a number of challenges. Key among them was the inadequacy of fund to fund its programs. The Committee received very many request for funding from the community. However a number of the requests were deferred as the committee had to prioritize them depending on the need and urgency. Secondly, there was a challenge of PMC's having less capacity in terms of management of projects. This was experienced especially with regard to procurement procedures. The committee has planned to organize for more training of these PMC's to enhance their capacity. The following are photos of sampled projects that were successfully undertaken during the year.

*Endebess Constituency
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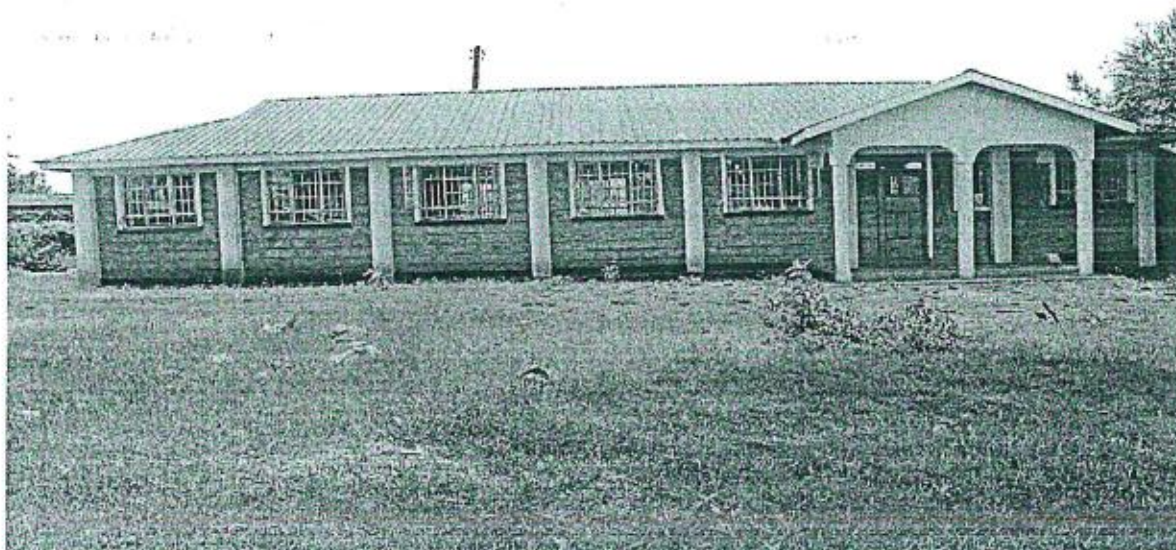


Photo 1: Complete Innovations Centre at Endebess sub-county headquarters

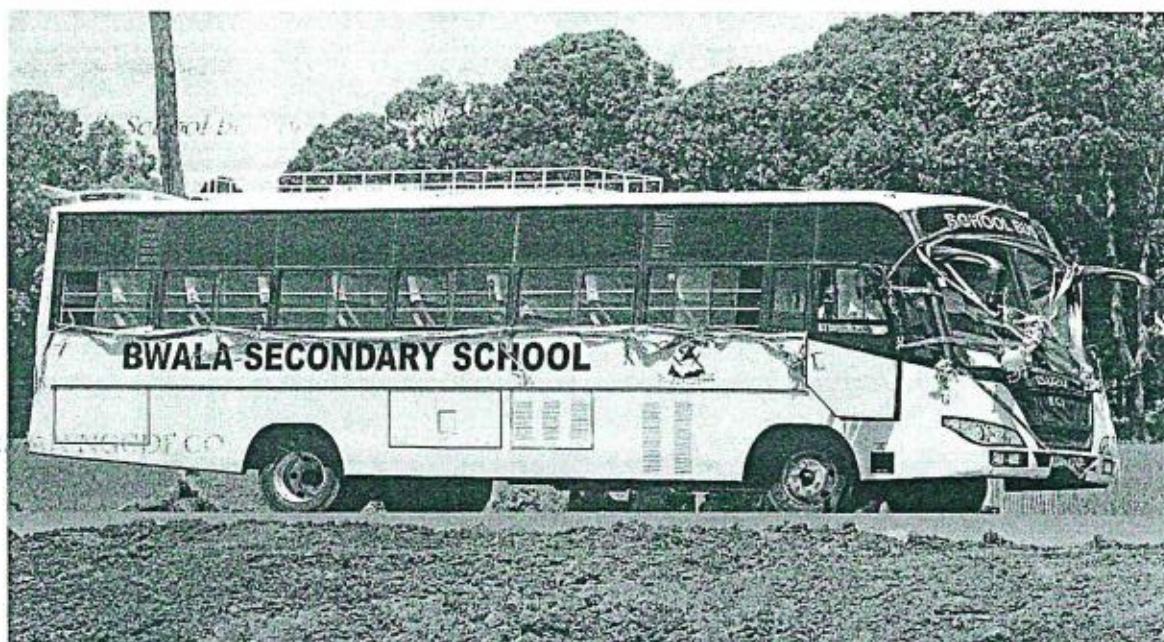


Photo 2: School bus for Bwala Secondary School fully funded by Endebess NG-CDF.

Signature

Handwritten signature of the Chairman of the NGCDF Committee.

CHAIRMAN NGCDF COMMITTEE

I. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED 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 *Endebess Constituency 2018-2022* plan are to:

- a) Improve access to quality education to all children in the constituency
- b) Enhance and sustain peace and security coordination and administration in the Constituency
- c) Enhance environmental conservation and sustainable use of natural resources in the Constituency
- d) Promote sports and creative talents among the youth in Endebess constituency
- e) Enhance Social protection for the poor and vulnerable households and individuals in the constituency
- f) Improve, maintain and expand road and bridges network in the constituency
- g) Strengthen the governance and management of Endebess NG-CDF

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels.	In FY 20/21 we increased number of dormitories from 4 to 5, acquired 1 school bus, funded construction of 1 laboratory and constructed 2 classrooms in secondary schools and 16 classrooms in primary school. Bursary beneficiaries at all levels were as per the attached schedules Expenditure return

Endebess Constituency
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Constituency Sector	Objective	Outcome	Indicator	Performance
Security	To have a safe constituency for everyone	Established and enhanced security infrastructure	Number of chief's offices and infrastructure in police posts	Purchased land for construction of chief's office at Mubere sub-location and funded completion of Chief's office Matumbei
Sports	To enhance sporting and creative talents	Increase access to youth sporting and recreational facilities and activities	Number of youths sporting activities and recreational facilities.	NG-CDFC supported grading, levelling and murruming of Endebess Centre Primary athletics track field and constructed 2 changing areas for male and female.
Environment	Enhance environmental conservation and sustainable use of natural resources	Increased soil and forest conservation programmes and initiatives Enhance protection and use of water resources Increase access to sanitation facilities and clean environment	Number institutions the constituency has planted trees	Committee funded planting of tree seedlings in 23 primary schools, 7 secondary schools and supported purchase and installation of 5,000 Litre tanks at 10 primary to help in harvesting water
Emergency	To safeguard the community against unexpected misfortunes	Habitable environment	Number of emergency responses acted on by the committee	The committee supported construction of 37 pit latrine that were emergency

II. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** Endebess NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 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

The NGCDF contacted a sensitization exercise on tree planting. This was held during the launch of the tree planting in the constituency. During the launch that was presided over by the NGCDFC chairman and the fund account manager at Testbourne Primary School and Feedlot Primary School the committee addressed the schools community and reminded them on the need to plant trees. The schools were challenged to actively engage in the exercise as this would go a long way in ensuring that the environment is conserved not only for today but also for the future.

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National Government Constituencies Development Fund (NGCDF)

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3. Employee welfare

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

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

Endebess Constituency

National Government Constituencies Development Fund (NGCDF)

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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.

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

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National Government Constituencies Development Fund (NGCDF)
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III. 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-Endebess 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-Endebess 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- Endebess 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 Endebess 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- Endebess Constituency financial statements were approved and signed by the Accounting Officer on September 17, 2021.



Chairman NG-CDF Committee
Name: Gilbert Ngirio



Fund Account Manager
Name: Benson Titi

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ENDEBESS 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 (NG-CDF) - Endebess Constituency set out on pages 10 to 42 which comprise the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended,

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Endebess Constituency 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 Public Finance Management Act, 2012, and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

Several balances reflected in the financial statements were not supported with sufficient appropriate records, as discussed in the following paragraphs:

1. Transfers from NG-CDF Board

The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board totalling Kshs.162,267,724 whereas the summary statement of appropriation reflects actual receipts totalling Kshs.168,715,116 resulting in an unreconciled variance of Kshs.6,447,392.

Consequently, the accuracy and completeness of the transfers from the National Government Constituencies Development Fund Board totalling Kshs.162,267,724 reflected in the statement of receipts and payments could not be confirmed.

2. Compensation of Employees

The statement of receipts and payments reflects Compensation of employees expenditure totalling Kshs.2,999,366 whereas the respective supporting schedules reflect expenditure totalling Kshs.2,995,363 in respect to the item resulting in an unexplained variance of Kshs.4,003.

Consequently, the accuracy of the compensation of employees expenditure totalling Kshs.2,999,366 reflected in the financial statements could not be confirmed.

3. Other Grants and Transfers

The statement of receipts and payments reflects other grants and transfers totalling Kshs.51,938,550, as shown in Note 7 to the financial statements. The balance includes Kshs.22,997,000 and Kshs.11,580,000 being bursaries to secondary schools and tertiary institutions respectively. However, the supporting schedules reflected bursaries totalling Kshs.20,628,000 for secondary schools and Kshs.13,949,000 for tertiary institutions. The identical difference of Kshs.2,369,000 in secondary school, tertiary institution bursaries reflected in the two sets of records was not explained.

In view of the discrepancy, the accuracy of the other grants and transfers balance totalling Kshs.51,938,550 could not be confirmed.

4. Cash and Cash Equivalents

The statement of assets and liabilities reflects a cash and cash equivalents balance totalling Kshs.6,830,910 as at 30 June, 2021 which, as shown in Note 10A to the financial statements, represents the Fund's bank balance held in a local bank. However, the bank reconciliation statement for the month of June, 2021 includes payments in cash book not in bank statements amounting to Kshs.29,078,299 whose details, including dates of clearance, were not provided for audit review. Therefore, it was not possible to confirm the authenticity of the payments totalling to Kshs.29,078,299 and whether the cash and cash equivalents balance totalling Kshs.6,830,910 was fairly stated as at 30 June, 2021.

In view of these anomalies, the accuracy and completeness of the cash and cash equivalents balance totalling Kshs.6,830,910 could not be confirmed.

5. Fixed Assets

The summary of fixed assets register in Annex 4 to the financial statements reflects an assets balance totalling Kshs.31,171,262 at the beginning of the financial year and additions during the year totalling Kshs.850,000 resulting in a closing balance of Kshs.32,021,262 as at 30 June, 2021. However, the main assets register did not include the additions made in the year under review. Further, the register did not reflect the cost values of eight (8) computers owned by the Fund. In addition, forty-one (41) items of furniture and fittings reflected in the register did not have identification numbers.

Consequently, the accuracy and fair valuation of the assets balance of totalling Kshs.32,021,262 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 National Government Constituencies Development Fund - Endebess 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 indicates that during the year under review, the Fund had a final approved revenue budget of Kshs.212,913,278 but realized receipts totalling Kshs.168,724,399 or about 79% of the budget. No explanation was provided for the under-funding of the budget by Kshs.44,188,879. Further, out of the actual receipts totalling Kshs.168,724,399, the Fund utilized Kshs.160,947,910 resulting in under-expenditure of Kshs.7,776,489. No explanation was provided for the failure to utilize these funds.

As a result, some of the projects planned to serve the residents of Endebess Constituency may not have been implemented.

2. Prior Year Issues

The audit report for the financial year ended 30 June, 2021 highlighted several issues relating to the financial statements presented for audit and lawfulness and effectiveness in use of public resources. The report on progress made in following up on auditor's recommendations indicates that the matters had not been resolved as at 30 June, 2021. No explanation was provided for the delay in resolving the issues.

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. Irregularities in School Construction Contract

Examination of procurement records indicated that a tender to build a four-door pit latrine was awarded at a contract sum of Kshs.195,000 against lower bids of Kshs.193,000 and Kshs.187,040. No explanation was provided why the highest, and not the lowest, bidder was awarded the contract.

Further, several tender documents such as the acceptance letter, notification of award, signed tender evaluation minutes and project handing over report were not provided for audit. In addition, verification of the works in April, 2022 established that the latrines built were of two-door instead of the four-door design prescribed in the Bills of Quantities.

In the circumstances, the contract was executed irregularly and as a result, it was not possible to confirm if the fund obtained value for money on the expenditure.

2. Unexplained Purchase of Land for School

Records on the Constituency Committee indicated that in October, 2020, the Committee allocated Kshs.2,000,000 for purchase of four (4) acres of land for Matumbei Secondary School. However, an audit inspection and examination of documents provided for audit indicated that only 2.604 acres of land were purchased at Kshs.1,750,000. No explanation was provided for the scaling down of the project.

Further, the requisition or proposal for the purchase from the Project Management Committee, the valuation report for the land, and certificates on ownership of the land were not provided for audit.

In the circumstances, it was not possible to confirm the propriety of the expenditure and the value of the land bought at Kshs.1,750,000.

3. Project Implementation Status

The Project Implementation Status (PIS) report as at 30 June, 2021 indicated that the Fund had planned to implement forty-eight (48) projects with a total budget of Kshs.112, 605,241. However, as at 30 June 2021, twenty-four (24) projects valued at Kshs.14,007,000 had been completed, whereas twenty-two (22) projects valued at Kshs.91,098,241 were on-going and two (2) valued at Kshs.7,500,000 had not been launched.

As a result, the services that the ongoing and unexecuted projects were to provide to the residents of Endebess Constituency were not realized.

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 overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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


09 September, 2022


Endebess Constituency**National Government Constituencies Development Fund (NGCDF)****Reports and Financial Statements for The Year Ended June 30, 2021****V. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	162,267,724	123,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	9,283	-
TOTAL RECEIPTS		162,277,007	123,040,876
PAYMENTS			
Compensation of employees	4	2,999,366	3,185,909
Use of goods and services	5	11,315,994	7,728,195
Transfers to Other Government Units	6	93,325,000	85,190,000
Other grants and transfers	7	51,938,550	16,605,000
Acquisition of Assets	8	850,000	4,768,344
Other Payments	9	519,000	5,651,820
TOTAL PAYMENTS		160,947,910	123,129,268
SURPLUS/ (DEFICIT)		1,329,097	(88,392)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Endebess Constituency financial statements were approved on September 17, 2021 and signed by:


 Fund Account Manager
 Name: Benson Tindi


 National Sub-County
 Accountant
 Name: Jamir Mukapi
 ICPAK M/No:



 Chairman NG-CDF Committee
 Name: Gilbert Ngirio


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


VI. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	6,830,910	6,447,392
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		6,830,910	6,447,392
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		6,830,910	6,447,392
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	103,497	1,049,075
TOTAL FINANCIAL LIABILITIES		(103,497)	(1,049,075)
NET FINANCIAL ASSETS		6,727,414	5,398,317
REPRESENTED BY			
Fund balance b/fwd		5,398,317	5,486,709
Prior year adjustments	14	-	-
Surplus/Deficit for the year		1,329,097	(88,392)
NET FINANCIAL POSITION		6,727,413	5,398,317

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Endebess Constituency financial statements were approved on September 17, 2021 and signed by:


 Fund Account Manager
 Name: Benson Tindi


 National Sub-County
 Accountant
 Name: Jamin Mukapi
 ICPAK M/Noc



 Chairman NG-CDF Committee
 Name: Gilbert Ngirio

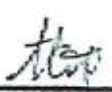
Endebess Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021


VII. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	162,267,724	123,040,876
Other Receipts	3	9,283	-
Total receipts		162,277,007	123,040,876
Payments for operating activities			
Compensation of Employees	4	2,999,366	3,185,909
Use of goods and services	5	11,315,994	7,728,195
Transfers to Other Government Units	6	93,325,000	85,190,000
Other grants and transfers	7	51,938,550	16,605,000
Other Payments	9	519,000	5,651,820
Total payments		160,097,910	118,360,924
Total Receipts Less Total Payments		2,179,097	4,679,952
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (Outstanding imprest)	15		
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	(945,578)	1,049,075
Prior year adjustments	14	-	-
		(945,578)	1,049,075
Net cash flow from operating activities		1,233,519	5,729,027
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	850,000	4,768,344
Net cash flows from Investing Activities		(850,000)	(4,768,344)
NET INCREASE IN CASH AND CASH EQUIVALENT		383,519	960,683
Cash and cash equivalent at BEGINNING of the year	10	6,447,392	5,486,709
Cash and cash equivalent at END of the year		6,830,910	6,447,392

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Endebess Constituency financial statements were approved on September 17, 2021 and signed by:


Fund Account Manager
Name: Benson Tindi


National Sub-County
Accountant
Name: Jamin Mukapi
ICPAK M/Noc


Chairman NG-CDF Committee
Name: Gilbert Ngirio

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

VIII. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	Opening Balance (C/Bk) and AIA	B Previous Years' Outstanding Disbursements	c=a+b	D	e=c-d	f=d/c %
RECEIPTS	2020/2021				30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	6,447,392	69,367,724	212,903,995	168,715,116	44,188,879	79%
Proceeds from Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	9,283	-	9,283	9,283	-	100%
TOTALS	137,088,879	6,456,675	69,367,724	212,913,278	168,724,399	44,188,879	79%
PAYMENTS							
Compensation of Employees	3,060,000	1,153,552	1,300,000	5,513,552	2,999,366	2,514,186	54%
Use of goods and services	9,259,672	3,461,434	4,862,483	17,583,589	11,315,994	6,267,595	64%
Transfers to Other Government Units	73,448,330		52,600,000	126,048,330	93,325,000	32,723,330	74%
Other grants and transfers	50,017,207	440,000	10,605,242	61,062,449	51,938,550	9,123,899	85%
Acquisition of Assets	-	850,000	-	850,000	850,000	-	100%
Other Payments	802,000	542,406	-	1,344,406	519,000	825,406	39%
Funds pending approval**	501,670	9,283	-	510,953	-	510,953	0%
TOTALS	137,088,879	6,456,675	69,367,724	212,913,278	160,947,910	51,965,368	75%

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

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

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. The utilization of received funds for Compensation of employees, Use of goods and Services, Transfers to other government Units, Other grants and transfers, and other payments is 54%, 64%, 74%, 85% and 39% respectively. This underutilization is attributed to fact that the board released funds late, and this limited the time required for disbursement of funds to the Project Management Committees, procurement procedures that have time limits and the actual implementation of the projects which too require sufficient time.

The changes between the original budget and the final budget are a result of reallocations within the budget.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	51,965,368
Less undisbursed funds receivable from the Board as at 30 th June 2021	44,188,879
	7,776,489
Add Accounts payable	103,496
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	(1,049,075)
Cash and Cash Equivalents at the end of the FY 2020/2021	6,830,910

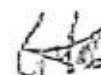
The NGCDF-Endebess Constituency financial statements were approved on September 17, 2021 and signed by:



Fund Account Manager
 Name: Benson Tindi



National Sub-County
 Accountant
 Name: Jamini Mukapi
 ICPAK M/No:



Chairman NG-CDF Committee
 Name: Gilbert Ngirio

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

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	3,060,000	1,153,552	1,300,000	5,513,552	2,999,366	2,514,186
1.2 Committee allowances	2,664,000	660,000	1,042,000	4,366,000	3,863,120	502,880
1.3 Use of goods and services	2,495,672	788,814	700,000	3,984,486	1,599,474	2,385,012
Totals	8,219,672	2,602,366	3,042,000	13,864,038	8,461,960	5,402,078
2.0 Monitoring and evaluation						
2.1 Capacity building	1,500,000	260,000	1,920,000	3,680,000	3,197,000	483,000
2.2 Committee allowances	2,000,000	985,400	900,000	3,885,400	2,076,400	1,809,000
2.3 Use of goods and services	600,000	767,220	300,483	1,667,703	580,000	1,087,703
Totals	4,100,000	2,012,620	3,120,483	9,233,103	5,853,400	3,379,703
3.0 Emergency	7,192,207	330,000	6,398,242	13,920,449	10,480,000	3,440,449
3.1 Primary Schools	-	-	-	-	8,110,000	-
3.2 Secondary schools	-	-	-	-	1,270,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	1,100,000	-
totals	7,192,207	330,000	6,398,242	13,920,449	10,480,000	3,440,449
4.0 Bursary and Social Security						
4.1 Primary Schools	-	-	-	-	-	-
4.2 Secondary Schools	22,450,000	30,000	20,000	22,500,000	22,647,000	(147,000)
4.3 Tertiary Institutions	12,000,000	80,000	80,000	12,160,000	11,930,000	230,000
Totals	34,450,000	110,000	100,000	34,660,000	34,577,000	83,000
5.0 Sports	1,800,000	-	1,900,000	3,700,000	1,899,550	1,800,450

National Government Constituencies Development Fund (NGCDF) Constituencies Development Fund (C.D.F.)
Reports and Financial Statements for The Year-Ended June 30, 2021

Programme/Sub-programme	Original Budget	Opening Balance (C/Bk) and ALA	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021		Previous Years' Outstanding Disbursements	2020/2021	30/06/2021	
5.1 Ledona Kenya Ltd	-	-	-	-	1,866,224	-
5.2 Comm. Of Dom Tax	-	-	-	-	33,326	-
Totals	1,800,000	-	1,900,000	3,700,000	1,899,550	1,800,450
6.0 Environment						
6.1 A.I.C Cheberem Primary School			307,000	307,000	307,000	-
6.2 Endebess Environment Team C.B.O			900,000	900,000	900,000	-
6.3 Endebess Environment Team C.B.O			600,000	600,000	600,000	-
6.4 Cheptikit Primary School	100,000			100,000	100,000	-
6.5 Kapkures Primary School	100,000			100,000	100,000	-
6.6 Chesitia Primary School	100,000			100,000	100,000	-
6.7 Chepchoina Primary School	100,000			100,000	100,000	-
6.8 Nauyapong Primary School	100,000			100,000	100,000	-
6.9 Robinson Primary School	100,000			100,000	100,000	-
6.10 Amani Primary School	100,000			100,000	100,000	-
6.11 Tulwop Kesis Primary School	100,000			100,000	100,000	-
6.12 Bwala Primary School	100,000			100,000	100,000	-
6.13 Mubere Primary School	100,000			100,000	100,000	-
6.14 Naminit Primary School	100,000			100,000	100,000	-
6.15 Endebess Environment Team	975,000			975,000	975,000	-
Total	2,075,000	-	1,807,000	3,882,000	3,882,000	-
7.0 Primary Schools Projects (List all the Projects)						
7.1 Chelulus Primary School	800,000		800,000	1,600,000	800,000	800,000
7.2 Amani Primary School	800,000		800,000	1,600,000	800,000	800,000
7.3 Drp Keben Primary School			800,000	800,000	800,000	-

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

Programme/Sub-programme	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021		Previous Years' Outstanding Disbursements	2020/2021	30/06/2021	
7.4 Koibei Primary School		-	800,000	800,000	800,000	-
7.5 Kiboi Primary School		-	800,000	800,000	800,000	-
7.6 Labot Primary School		-	800,000	800,000	800,000	-
7.7 Kitinda Primary School	800,000	-	1,600,000	2,400,000	1,600,000	800,000
7.8 Nauyapong Primary School	800,000	-	500,000	1,300,000	500,000	800,000
7.9 Kapkures Primary School		-	800,000	800,000	800,000	-
7.10 Samuel Imbuye Primary School		-	800,000	800,000	800,000	-
7.11 Tulwop Kesis Primary Sch.	800,000	-	-	800,000	800,000	-
7.12 Endebess Centre Primary Sch.	2,100,000	-	-	2,100,000	2,100,000	-
7.13 Testbourne Primary Sch.	1,600,000	-	-	1,600,000	1,600,000	-
7.14 Cheberem Primary Sch.	800,000	-	-	800,000	800,000	-
7.15 Nabakhwana Primary Sch.	800,000	-	-	800,000	800,000	-
7.16 Chepsalei Primary School	800,000	-	-	800,000	-	800,000
7.17 Kitum Primary School	800,000	-	-	800,000	-	800,000
7.18 Chepnyalil Primary School	800,000	-	-	800,000	-	800,000
7.19 Mubere Primary School	1,200,000	-	-	1,200,000	-	1,200,000
7.20 Matumbei Primary School	800,000	-	-	800,000	-	800,000
7.21 Chepkwiro Primary School	800,000	-	-	800,000	-	800,000
7.22 Kibosit Primary School	1,600,000	-	-	1,600,000	-	1,600,000
7.23 A.I.C Cheberem Primary School	800,000	-	-	800,000	-	800,000
7.24 Nabeki Primary School	800,000	-	-	800,000	-	800,000
7.25 Endebess Centre Primary Sch.	5,000,000	-	-	5,000,000	5,000,000	-
Totals	22,700,000	-	8,500,000	31,200,000	19,600,000	11,600,000
8.0 Secondary Schools Projects (List all the Projects)						

Endebess Constituency

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021	Opening Balance (C/Bk) and ALA	Previous Years' Outstanding Disbursements	30/06/2021	
8.1 Matumbi Secondary School	-	-	2,850,000	2,850,000	-
8.2 Bwala Secondary School	-	-	1,000,000	1,000,000	-
8.3 St. Mathews Sec. Sch. Cheptantian	-	-	3,200,000	3,200,000	-
8.4 Bwala Secondary School	-	-	250,000	250,000	-
8.5 Kietkei Secondary School	-	-	1,800,000	1,800,000	-
8.6 Titimet Secondary School	-	-	1,000,000	1,000,000	-
8.7 Kimwondo Secondary School	-	-	800,000	800,000	-
8.8 St. Mathews Secondary School	-	-	7,850,000	7,850,000	-
8.9 St. Barnabas Sabwani Sec. School	-	-	8,000,000	8,000,000	-
8.10 Matumbi Secondary School	-	-	9,850,000	9,850,000	-
8.11 Bwala Secondary School	-	-	7,000,000	7,000,000	-
8.12 Matumbi Secondary School	-	-	500,000	500,000	-
8.13 Nalulungo Secondary School	2,500,000.00	-	-	2,500,000	-
8.14 St. Mathews Sec. Sch. Cheptantian	1,000,000	-	-	1,000,000	-
8.15 Mubere Secondary School	7,850,000	-	-	2,925,000	4,925,000
8.16 St. Barnabas Sabwani G Sec. Sch.	600,000	-	-	600,000	-
8.17 St. Barnabas Sabwani G Sec. Sch.	900,000	-	-	900,000	-
8.18 Titimet Girls Sec. School	2,500,000	-	-	2,500,000	-
8.19 St. Mathews Sec. Sch. Cheptantian	1,400,000	-	-	1,400,000	-
8.20 Nalulungo Secondary School	1,500,000	-	-	1,500,000	-
8.21 Kimwondo Secondary School	8,000,000	-	-	3,500,000	4,500,000
8.22 Matumbi Secondary School	1,400,000	-	-	1,400,000	-
8.23 St. Mathews Sec. Sch. Cheptantian	500,000	-	-	-	500,000
8.24 Kimwondo Secondary School	1,500,000	-	-	-	1,500,000

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Programme/Sub-programme	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
Total	29,650,000	-	44,100,000	73,750,000	62,325,000	11,425,000
9.0 Tertiary institutions Projects (List all the Projects)						
9.1 Endebess Technical Training Inst.	12,198,330	-	-	12,198,330	8,900,000	3,298,330
9.2 Endebess Technical Training Inst.	8,900,000	-	-	8,900,000	2,500,000	6,400,000
Total	21,098,330	-	-	21,098,330	11,400,000	9,698,330
10.0 Security Projects						
10.1 Assistant Chief's Office Mubere	2,500,000	-	400,000	2,900,000	400,000	2,500,000
10.2 Matumbi Chiefs Office	500,000	-	-	500,000	-	500,000
10.3 Koibei Location Chief's Office	700,000	-	-	700,000	700,000	-
10.4 Chorlim Assistant Chief Office	300,000	-	-	300,000	-	300,000
10.5 Endebess Sub-loc Ass. Chief's Office	500,000	-	-	500,000	-	500,000
Total	4,500,000	-	400,000	4,900,000	1,100,000	3,800,000
11.0 Acquisition of assets						
11.1 Motor Vehicles	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	850,000	-	850,000	850,000	-
11.4 Purchase of computers	-	-	-	-	-	-
Total	-	850,000	-	850,000	850,000	-
12.0 Others						
Innovation Hub	802,000	542,406	-	1,344,406	519,000	825,406
Total	802,000	542,406	-	1,344,406	519,000	825,406
Funds pending approval**	501,670	-	-	501,670	-	501,670
Total	137,088,879	6,456,675	69,367,724	212,913,278	160,947,910	51,965,368

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition

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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 June 10, 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.

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO. B096945	1	15,000,000	
AIE NO. B104596	2	19,000,000	
AIE NO. A823509	3	35,367,724	
AIE NO. B124511	1	9,000,000	
AIE NO. B124928	2	10,000,000	
AIE NO. B119784	3	13,000,000	
AIE NO. B128074		6,900,000	
AIE NO. B128384		7,000,000	
AIE NO. B132129		6,000,000	
AIE NO. B138797		13,000,000	
AIE NO. B126092		6,000,000	
AIE NO. B126382		10,000,000	
AIE NO. B140528		12,000,000	
AIE NO. B047169			55,040,876
AIE NO. B047405			4,000,000
AIE NO. B041269			18,000,000
AIE NO. B047688			5,000,000
AIE NO. B049257			15,000,000
AIE NO. B104277			15,000,000
AIE NO. B096556			11,000,000
TOTAL		162,267,724	123,040,876

2. PROCEEDS FROM SALE OF ASSETS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	6,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	3,283	-
Total	9,283	-

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,995,164	1,857,135
Personal allowances paid as part of salary		
House Allowance	192,000	192,000
Transport Allowance	-	-
Leave allowance	24,000	65,299
Gratuity to contractual employees	661,506	-
Employer Contributions Compulsory national social security schemes	103,497	1,049,075
Employer Contributions Compulsory national social security schemes	23,200	22,400
Total	2,999,366	3,185,909

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	-	-
Communication, supplies and services	70,000	205,750
Domestic travel and subsistence	409,775	248,800
Printing, advertising and information supplies & services	31,050	52,900
Rentals of produced assets	-	-
Training expenses	2,859,000	90,000
Hospitality supplies and services	329,040	233,860
Other committee expenses	-	-
Committee allowance	5,472,270	5,264,313
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	416,180	446,063
Other operating expenses	106,820	56,757
Routine maintenance – vehicles and other transport equipment	636,604	578,127
Routine maintenance – other assets	112,930	62,950
Bank service commission and charges	66,225	84,725
Fuel , oil & lubricants	806,100	403,950
Total	11,315,994	7,728,195

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	19,600,000	16,940,000
Transfers to secondary schools (see attached list)	62,325,000	68,250,000
Transfers to tertiary institutions (see attached list)	11,400,000	-
TOTAL	93,325,000	85,190,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,997,000	7,560,000
Bursary – tertiary institutions (see attached list)	11,580,000	2,410,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,100,000	-
Sports projects (see attached list)	1,899,550	1,335,000
Environment projects (see attached list)	3,882,000	2,280,000
Emergency projects (see attached list)	10,480,000	3,020,000
Total	51,938,550	16,605,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8.ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	4,268,844
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	500,000	-
Purchase of Office Furniture and General Equipment	350,000	-
Purchase of computers , printers and other IT equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	499,500
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Purchase of computers, printers and other IT equipment	-	-
Total	850,000	4,768,344

9.OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	519,000	5,651,820
	519,000	5,651,820

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity Bank, Ac/No: 0330261608206, Ksh</i>	6,830,910	6,447,392
	-	-
Total	6,830,910	6,447,392
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

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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>	<i>dd/mm/yy</i>	-	-	-
<i>Name of Officer</i>	<i>dd/mm/yy</i>	-	-	-
<i>Total</i>		-	-	-

12A. RETENTION

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

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	1,049,075	426,957
Gratuity held during the year (B)	765,003	622,118
Gratuity paid during the Year (C)	1,710,581	-
Closing Gratuity as at 30 th June D= A+B-C	103,497	1,049,075

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	6,447,392	5,486,709
Cash in hand	-	-
Imprest	-	-
Total	6,447,392	5,486,709

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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	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	8,956,670	6,390,938
Imprest surrendered during the Year (C)	8,956,670	6,390,938
Closing accounts in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	1,049,075	-
Deposit and Retentions held during the year (B)	765,003	1,049,075
Deposit and Retentions paid during the Year (C)	1,710,581	-
closing account payables D= A+B-C	103,497	1,049,075
Change in accounts payable at 30th June (E=A-D)	945,578	1,049,075

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

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

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	2,514,186	2,453,552
Use of goods and services	6,267,595	5,177,438
Amounts due to other Government entities (see attached list)	32,723,330	29,900,000
Amounts due to other grants and other transfers (see attached list)	9,123,899	36,603,797
Acquisition of assets	-	533,070
Others (<i>specify</i>)	825,406	98,180
Funds pending approval	510,953	-
	51,965,368	74,766,038

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	16,553,383	42,874,673
	16,553,383	42,874,673

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Construction of buildings	A	B	C	d=a-c	
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					

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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				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	To cater for staff salary and gratuity	2,514,186	2,453,552	
Use of goods & services	To facilitate Office operations	6,267,595	5,177,438	
Amounts due to other Government entities				
Chelulus Primary School	Construction of 1. No. Classroom	800,000	800,000	
Amani Primary School	Construction of 1. No. Classroom	800,000	800,000	
Kitinda Primary School	Construction of 1. No. Classroom	800,000	1,600,000	
Nauyapong Primary School	Construction of 1. No. Classroom	800,000		
Chepsalei Primary School	Construction of 1. No. Classroom	800,000		
Kitum Primary School	Construction of 1. No. Classroom	800,000		
Chepnayalil Primary School	Construction of 1. No. Classroom	800,000		
Mubere Primary School	Renovation of 4. No. Classrooms	1,200,000		
Matumbi Primary School	Construction of 1. No. Classroom	800,000		
Chepkwiro Primary School	Construction of 1. No. Classroom	800,000		
Kibosit Primary School	Construction of 2. No. Classrooms	1,600,000		
A.I.C Cheberem Primary School	Construction of 1. No. Classroom	800,000		
Nabeki Primary School	Construction of 1. No. Classroom	800,000		
Koibei Pri School			800,000	
DRP Keben Primary School			800,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
St. Pius Primary School			1,600,000	
Koibei Primary School			800,000	
Bwala Secondary School			1,250,000	
Bwala Secondary School			7,000,000	
Japata Secondary School			1,800,000	
Titmet Girls Secondary School			1,000,000	
St. Barnabas Boys			4,000,000	
Matumbi Secondary School			2,850,000	
Mubere Secondary School	Construction of Dormitory	4,925,000		
Kimwondo Secondary School	Construction of Dormitory	4,500,000	800,000	
St. Mathews Sec. Sch. Cheptantan	Construction of Biodigester	500,000	3,200,000	
Kimwondo Secondary School	Construction of 1. No. Classroom	1,500,000		
Endebess Technical Training Inst.	Construction of Hostel	3,298,330		
Endebess Technical Training Inst.	Construction of 1. Multi-purpose dining hall	6,400,000		
Sub-Total		32,723,330	29,900,000	
Amounts due to other grants and other transfers				
Emergency	To cater for unforeseen occurrence	3,440,449		
Bursary	To pay for the tuition fee	83,000		
Sports	Organise for the Constituency Tournament	1,800,450		
Security	Enhance Security in the Constituency	3,800,000		

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Sub-Total		9,123,899	36,603,797	
Acquisition of assets			533,070	
Sub-Total			533,070	
Others (specify)		825,406	98,180	
Sub-Total		825,406		
Funds pending approval		510,953	-	
Sub-total		510,953	-	
Grand Total		51,965,368	74,766,038	

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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	-	-	-	-
Buildings and structures	24,054,834	-	-	24,054,834
Transport equipment	6,253,343	-	-	6,253,343
Office equipment, furniture and fittings	93,835	850,000	-	943,835
ICT Equipment, Software and Other ICT Assets	742,500	-	-	742,500
Other Machinery and Equipment	26,750	-	-	26,750
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	31,171,262	850,000	-	32,021,262

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ANNEX 5 –PMC BANK BALANCES AS AT JUNE 30, 2021

PMC	Bank	Account number	Bank Balance 2020/2021	Bank Balance 2019/2020
Chebrirbei Primary School	Equity	330277410132	12,258	108,958
Rwanda Primary School	Equity	330268597051	297	49,097
Tulwop Kesis Primary School	Equity	330268661063	99,579	-
Maliki Primary School	Equity	330290715625	6,648	-
Lutaso Primary School	Equity	330297420356	2,261	-
Kaisheber Primary School	Equity	330298964600	13,995	-
Feedlot Primary School	Equity	330290840915	5,590	-
Moss Memorial Primary School	Equity	330269273816	400,140	59,995
Chesitia Primary School	Equity	330261721889	-	1,256
Koibei Primary School	Equity	330266654404	24,680	-
Kitinda Primary School	Equity	330270885297	249,611	2,575
Cheptikit Primary School	Equity	330277385096	-	-
Cheptantan Primary School	Equity	330290746218	1	-
Amani Primary School	Equity	330266690863	267,362	75,194
Kamaroko Primary School	Equity	330269055059	21,141	-
Chepkwirot Primary School	Equity	330269592154	381	741
Kiboi Primary School	Equity	330262666896	41,816	3,653
Imbuye Primary School	Equity	330269158736	966	1,800
Kapkures Primary School	Equity	330198772493	345,818	272
Sabwani Primary School	Equity	330192686574	21,112	-
Suam Primary School	Equity	330261804916	415	-
Naminit Primary School	Equity	330261721889	-	-
Chelulus Primary School	Equity	330278736583	-	-
Andersen High School	Equity	330264699473	4,357	-
Kietkei Secondary School	Equity	330290881582	1,627	-
Chepchoina Secondary School	Equity	330267149101	42	-

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PMC	Bank	Account number	Bank Balance 2020/2021	Bank Balance 2019/2020
Lutaso Secondary School	Equity	330297420356	152,620	-
St. Veronica Kokwo Girls	Equity	330263591529	54,474	54,474
St. Mary's Nai Girls Sec. School	Equity	330263650267	244,893	1,333,593
Chepsalei Secondary School	Equity	330299493719	9,271	914,700
St. Francis Of Asis Koronga Sec. School	Equity	330290818059	-	856,441
Nalulingo Secondary School	Equity	330266676708	4,265,101	5,078,630
Kimwondo Secondary School	Equity	330293646213	39,754	-
St. Barnabas Sec. School	Equity	330265885412	-	-
St. Barnabas Sec. School	Equity	0330290753728	14,943	-
Japata Secondary School	Equity	330264495532	1,973	1,243,940
Titimet Girls Secondary School	Equity	330268501928	264,796	3,726,440
Maendeleo Kwa Wote	Equity	330164387606	2,375	2,375
Matumbi Secondary School	Equity	330190813861	7,910,467	13,974,606
Endebess Recreation and Social Dev.	Equity	330266715113	653	-
Mwolem Market Association	Equity	330160527079	4,245	4,245
Naifarm Primary School	Equity	330290853678	1,986	1,986
Chepsalei Primary School	Equity	330198772827	3,926	3,926
Basale Primary School	Equity	330192660551	21	38,316
Chemkengen Primary School	Equity	330192662758	14,041	9,081
Kipsibo Primary School	Equity	330198765302	7,798	7,798
St. Mathews Sec. School Cheptantan	NBK	1025048569701	825,941	15,320,581
Bwala Secondary School	Equity	0330299588829	9,122	-
Testbourne Primary School	Equity	0330290755537	1,787	-
Nabakhwana Primary School	Equity	0330271954208	141	-
Robinson primary school	Equity	0330261593186	111,301	-
Njoro Primary School	Equity	0330193418554	942	-
Labot Primary School	Equity	0330268709472	161,195	-

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PMC	Bank	Account number	Bank Balance 2020/2021	Bank Balance 2019/2020
DRP Keben Primary School	Equity	330266850389	58,758	-
Nalulingo Primary School	Equity	330295912190	11,964	-
Koronga Primary School	Equity	330261630536	303	-
Titmet Primary School	Equity	330290734760	19,973	-
Kietkei Primary School	Equity	330290881582	1,627	-
Kimwondo Primary School	Equity	330192677855	286	-
Andersen Primary School	Equity	330261040523	1,280	-
Chorlim Sub-location	Equity	330165416833	5,210	-
Kaibei Location	Equity	330169027442	39	-
Njoro Secondary School	Co-op Bank	01139599506600	820,220	-
Cheberem Primary School	Co-op Bank	01139268558500	9,860	-
Total			16,553,383	42,874,673

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Presentation and errors of the financial statement			
	Presentation			
	1.1 Remittance of statutory deductions in time	Deductions effected	Not resolved	30/6/2021
2.0	Other Grants and Transfers			
	2.1 Emergency Expenses	Management has complied with guideline on emergency	Not resolved	30/6/2021
	2.2 Bursary Expenses-Secondary Schools	Management has complied with guideline on bursary	Not resolved	30/6/2021
	2.3 Unapproved Distribution of bursary funds	Management has complied with guideline on bursary	Not resolved	30/6/2021