

REPUBLIC OF KENYA



Enhancing Accountability

REPORT



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 AUG 2024	DAY: Afternoon
TABLED BY: Deputy Majority	Deputy leader of Party
CLERK AT THE TABLE: Benson Inzoti	

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
SAMBURU EAST CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE- ISIOLO
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SAMBURU EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

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

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

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Samburu East Constituency

National Government Constituencies Development Fund (NGCDF)

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

I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC-Project Management Committee

FY-Financial Year

II. Key Constituency Information and Management

(a) Background information

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

Mandate

The mandate of the Fund as derived from section (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 Samburu East Constituency NGCDF day-to-day management is under the following key organs:

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

Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	David Kiprono Cheruiyot
2.	Sub-County Accountant	Beatrice Kingori
3.	Chairman NGCDFC	Mathew Lalaigwanani
4.	Member NGCDFC	Letiwa Tom

(c) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Samburu East Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(d) Samburu East Constituency NGCDF Headquarters

NG-CDF Building
Wamba Town,
P.O. Box 21
Wamba, KENYA

(e) Samburu East Constituency NGCDF Contacts

Telephone: (254) 721353349
E-mail: cdfsamburueast@cdf.go.ke
Website: www.ngcdfsamburueast.go.ke

(f) Samburu East Constituency NGCDF Bankers

Equity Bank

Maralal Branch

A/C No. 1100261742735

P.O. Box 75104 - 00200

Maralal

(g) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

III. NG-CDFC Chairman's Report



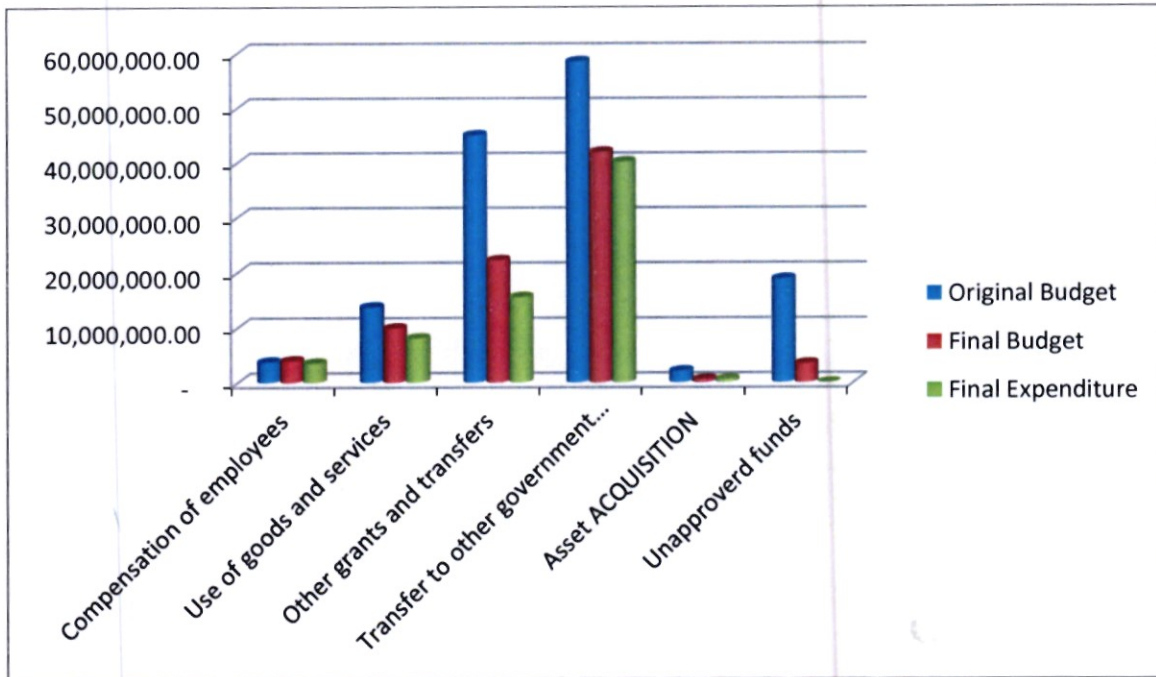
On behalf of Samburu East NGCDF it is my great pleasure to present the annual report and financial statement prepared in accordance with the cash basis of accounting method under the International Public Sector Accounting Standard (IPSAS) for the financial year ended 30th June, 2023. We also wish to acknowledge that despite the delayed funding and approval of projects we were able to register some significant progress within our desired and formulated objectives.

OVERALL BUDGET PERFORMANCE

The overall budget performance stands at 82% of our Final budget. This was difference between our original budget and final budget as a result of some challenges we experienced in our undertaking s including some of the funds being delayed and released much later and some of our projects being unapproved occasioned by the transition after the general election of 2022.

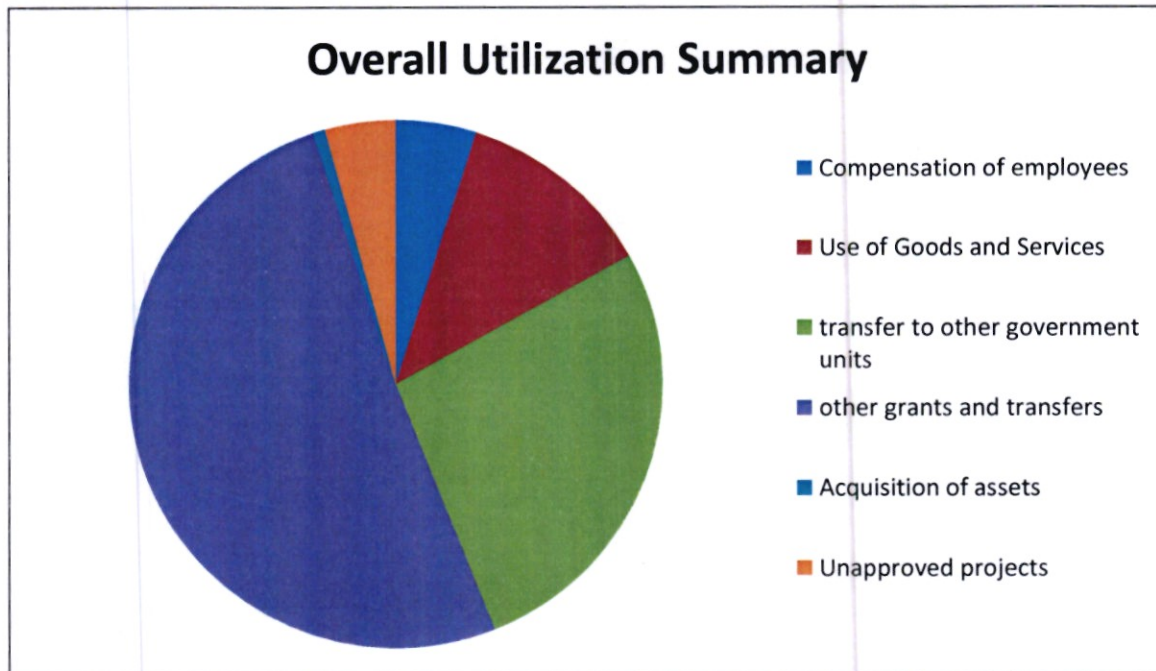
The table below provides a summary of our original budget versus final budget

VOTED ITEM	ORIGINAL BUDGET	FINAL BUDGET	EXPENDITURE
Compensation of employees	3,789,348	4,008,010	3,562,978
Use of goods and services	13,739,351	9,915,946	8,093,805
Other grants and transfers	45,011,345	22,223,289	15,549,925
Transfer to government entities	58,500,000	41,933,820	40,163,379
Asset acquisition	2,125,000	601,103	601,103
Un approved Funds	18,839,337	3,500,000	-
Totals	138,215,033	82,182,168	67,971,190



During the financial year 2022-23 final budget compensation of employees took 4%, while use of goods and services took 12%, other grants and transfers took 27% of the total budget out of which the biggest share was bursaries. Transfers to other government units was standing at 51%.

Allocation summary



ACHIEVEMENTS

Some of our achievements include the following as depicted by a few pictures



The Area MP and the NG CDFC delivering desks to Tipito Girls Secondary school.



The NGCDFC ready to distribute beds and mattresses to various schools.



The Area MP and NGCDFC distributing bursary to the needy students from the constituency.

Challenges

The delay of funds due various factors such as late preparation of the proposal due to the Government's regulations on the disbursement of the funds. However, the Government and the NGCDF board has put in place measures to ensure timely disbursement of funds.

There is an urgency improve and increase school infrastructure due to increased enrolment in schools.

The vastness of our constituency and poor road network poses a challenge especially in the distribution of resources to the constituents.

CONSTITUENCY DEVELOPMENT FUND
SAMBURU EAST CHAIRMAN
Date:

Name: Mathew Lalaigwanani
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

Introduction

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

The key development objectives of Samburu East Constituency 2018-2022 plan are to:

- i. Improving infrastructural development in all public education institutions in the constituency
- ii. Increase student retention in schools and aim at 100 percent transition rate of both secondary and tertiary education in the constituency
- iii. Promote enhanced security through infrastructural development to enable a serene environment for development
- iv. Promote youth talents and skills through sport activities in the constituency
- v. Promote environmental conservation and sustainability through tree planting, water harvesting and wastage management in the constituency.
- vi.

Progress on attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To improve infrastructure in learning institutions and have all school going children attending school.	Timely disbursement of bursary funds to students in schools Increased enrolment and student retention Improved transition from secondary to tertiary schools	Improved education standards Number of usable physical infrastructure in primary, secondary and tertiary schools	In FY 2022/23 - we increased the number of desks to various primary schools by 4000 desks and various classrooms, and dormitories were refurbished - Bursary awards to beneficiaries at all levels were given as per the attached schedules
Security	To develop security infrastructure in the constituency thus improve security	An enabled environment for commercial and cultural activities	Number of security and landmark institutions	In the FY 2022 23 We allocated funds for the establishment of lodungokwe police

				post on Wamba Maralal highway
Environment	To improve water harvesting and reduce soil erosion	More water made available to institutions and soil conservation improvement	Number of water tanks, gutters and gabions	In the FY 2022 23 We allocated funds for the various schools to establish environment clubs and water harvesting and conservation
Sports	To promote youth talent and skills and empowerment	Youth engagement and development of talent	Number of organized activities	In the FY 2022 23 We allocated funds to promote talent for the various youths in the constituency
Emergency	To tackle unforeseen events in the constituency	Unforeseen occurrences	Number of emergency occurrences	In the FY 2022 23 We allocated funds to mitigate a few in eventualities that were unforeseen

V. Statement of Governance

Appointment and Removal of NG-CDFC Members

The Samburu East National Government Constituency Development Fund Committee (NG-CDFC) is constituted in accordance with the provisions of the NG-CDF Act, 2015. The appointment of NGCDFC Members is carried out through a transparent and democratic process. Members are nominated by various stakeholders within the constituency, including community representatives, government officials, and civil society organizations. The final appointment is approved by the NG-CDF Board, ensuring a broad and inclusive representation of the community.

After the process the following were presented and approved by the board as committee members of the Samburu East NG-CDF

NOMINEES OF THE SELECTION PANEL

NO.	NAME	CATEGORY	WARD
1.	LESIYALOI RAPHAEL	Male (adult) representative	Wamba East
2.	LEKALGITELE JENIFFER	Female (adult) representative	Wamba East
3.	LELERUK MIKE	Male (Youth) representative	Wamba West
4.	LILIAN LOLTIANYA	Female (female) representative	Wamba West
5.	LENAMARKER TERESA	Female (PWD) representative	Wamba East

Constituency Nominees

NO.	NAME	CATEGORY	WARD
1.	LALAI GWANANI MATHEW	Male nominee representative	Wamba West
2.	AKIRU JANET	Female nominee representative	Waso ward

CO-OPTED MEMBER

NO.	NAME	Occupation	WARD
1.	LETIWA TOM		Wamba North

Members of the NGCDFC may be removed in accordance with the provisions of the NG-CDF Act, 2015, and relevant regulations.

Grounds for removal include

- (a) Lack of integrity;

- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Physical or mental infirmity
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;
- (g) Bringing the committee into disrepute through unbecoming personal public conduct.

Roles and Functions of the Committee

The functions of the National Government Constituency Development Fund Committees members are;

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters,
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency,
- iii. list of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund,
- v. Ensure that all projects receive adequate funding and are completed within three years;
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- ix. Enter into performance contracting with the Board on an annual basis;
- x. Receiving and addressing all complaints

Induction and Training of Members

Upon appointment, NGCDFC Members undergo a comprehensive induction program. This program equips Members with a thorough understanding of their roles, responsibilities, and ethical obligations. Training sessions are conducted regularly to keep Members updated on relevant laws, regulations, and best practices in governance, finance, and project management.

We were able to undergo induction training in May 2023 for the NGCDF in Embu that was sponsored by the Board for the whole NGCDF Committees in our region.

Number of Meetings held

The NG-CDFC holds regular meetings to deliberate on NG-CDF matters, project progress, and financial issues. The Committee convenes at least once every quarter, and at most twenty-four meetings in a year. It also includes additional meetings scheduled in between to address emerging issues and project needs. We have been able to conduct 12 meeting and the during the time we were able to hold 13 meetings and 6 subcommittee bursary meeting

Disclosure Policy on Conflict of Interest

The NG-CDFC is committed to maintaining the highest standards of integrity and transparency. To address potential conflicts of interest, Members are required to disclose any personal, financial, or professional interests that may conflict with their responsibilities as NG-CDFC Members. In cases of conflicts, Members are expected to excuse themselves from relevant discussions and decisions, and these conflicts are duly recorded in the minutes of the meetings.

Members' Remuneration

NG-CDFC Members serve the constituency and are not given a salary but an allowance as compensation for their service. This ensures that their decisions and actions are guided solely by the best interests of the constituency and not influenced by personal gain.

Ethics and Conduct

The NG-CDFC is guided by a strict code of ethics and conduct that includes principles such as integrity, accountability, transparency, and professionalism. Members are expected to adhere to these principles in all their dealings related to NG-CDF matters.

Risk Management

The NG-CDFC recognizes the importance of risk management in the prudent utilization of NG-CDF funds. The Committee, in collaboration with relevant stakeholders, assesses and mitigates risks associated with project implementation, financial management, and governance. Regular

risk assessments are conducted to identify potential threats and develop strategies to address them. This governance statement reflects our commitment to ensuring responsible and effective governance of the Samburu East NG-CDF. It provides transparency and accountability to the constituents we serve and upholds the principles of good governance in all our activities.

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Samburu East 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 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Protection and care of the environment is an important aspect of Samburu East NGCDF and are committed to complying with all relevant environmental legislations, regulations and approved practices protecting air, water and land pollution. We strive to ensure that all environmental factors are considered during planning and project implementation and communicate our desired environmental performances like

- Constructing proper toilets in schools
- Creating awareness on Planting trees in public schools and security offices
- water harvesting in public schools
- Creating awareness on use of energy saving cooking methods
- Training people on various ways of conserving the environment
- During the year we were not able to plant trees but we did water harvesting for several schools both secondary schools and primary schools
- During the handing over of projects the community is usually sensitized on various impacts of environmental changes on the person and the community at large.

3. Employee welfare

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

Samburu East NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Samburu East 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 Samburu East 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.

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

.....
Name: David Kiprono Cheruiyot
Fund Account Manager.



VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Samburu East Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Accounting Officer in charge of the NGCDF-Samburu East Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Samburu East 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 Samburu East 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- Samburu East Constituency financial statements were approved and signed by the Accounting Officer on 21st September 2023.


.....
Name: **Mathew Lalaigwanani**

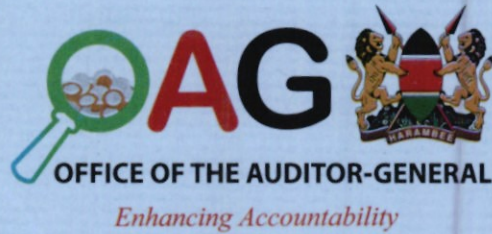
Chairman – NGCDF Committee


.....
Name: **David Kiprono Cheruiyot**

Fund Account Manager



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 - SAMBURU EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

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

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

22 to 65, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Unsupported Bursary Disbursements

The statement of receipts and payments reflects an amount of Kshs.40,163,379 in respect to other grants and transfers as disclosed in Note 8 to the financial statements, which includes bursaries disbursed to secondary schools and tertiary institutions totalling Kshs.32,701,879. However, analysis of bursary records including the list of beneficiaries reflected an amount of Kshs.14,578,000 resulting to an unreconciled variance of Kshs.18,123,879. Further, only bursaries amounting to Kshs.4,809,000 or 12% were acknowledged by the beneficiary schools and institutions resulting to an unexplained variance of Kshs.27,892,879 or 85%.

In the circumstances, the accuracy and completeness of the bursary payments totalling Kshs.32,701,879 could not be confirmed.

2. Inaccuracies in Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects bank balances of Kshs.14,210,978 while re-computation of bank reconciliation statement for the month of June, 2023 revealed a balance of Kshs.14,308,847 resulting to unexplained variance of Kshs.97,869.

Further, bank reconciliation statement reflects unpresented cheques amounting to Kshs.10,111,202 out of which Kshs.1,158,398 were stale cheques which had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of bank balance of Kshs.14,210,978 could not be confirmed.

3. Overstatement of Transfers to Secondary Schools

The statement of receipts and payments reflects an amount of Kshs.15,549,925 in respect of transfers to other Government units as disclosed in Note 7 to the financial statements. The amount includes transfers to secondary schools amount of

Kshs.7,410,000 of which Kshs.2,000,000 paid to a secondary school was cancelled. However, there was no corresponding adjustments and therefore transfers to other Government units amount is overstated.

In the circumstances, the accuracy and completeness of the transfer to other Government units amount of Kshs.2,000,000 could not be confirmed.

4. Unsupported Expenditure on Motor Vehicle Repairs

The statement of receipts and payments reflects an amount of Kshs.5,695,305 in respect to use of goods and services as disclosed in Note 6 to the financial statements. The amount includes Kshs.987,340 spent on routine maintenance of vehicles and other transport equipment out of which Kshs.822,340 was spent on repairs and maintenance of a motor vehicle. However, there was no authorization for repairs and no post repair report was provided for audit review.

In addition, the company that carried out the repairs was not in the list of prequalified suppliers and the motor vehicle remained grounded.

In the circumstances, the accuracy and completeness of repairs and maintenance amount of Kshs.987,340 could not be confirmed.

5. Unsupported Project Management Committee Balances

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balance of Kshs.692,309. However, the cash books, bank reconciliation statement and certificate of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of PMC bank balance of Kshs.692,309 could not be confirmed.

6. Variances in Compensation of Employees

The statement of receipts and payments reflect an amount of Kshs.3,562,978 in respect to compensation of employees as disclosed in Note 4 to the financial statements. The amount includes employer contributions under compulsory National Social Security Schemes (NSSF) amount of Kshs.134,982 while the general ledger reflects Kshs.274,652 resulting to an unexplained variance of Kshs.139,670. Further, the amount had not been remitted to NSSF by the time of the audit in March, 2024.

In the circumstances, the accuracy and completeness of employee costs amount of Kshs.134,982 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Samburu East Constituency Management in accordance with the ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing

audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.163,397,201 and Kshs.82,182,168 respectively resulting to under-funding of Kshs.81,215,033 or 50% of the budget. However, the Fund spent Kshs.67,971,190 against actual receipts of Kshs.82,182,168 resulting to under-utilization of Kshs.14,210,978 or 17% of the actual receipts.

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

My opinion is not modified in respect of this matter

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matter

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 had not resolved the issues or given any explanation for failure to resolve them.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, and 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. Irregular Payments to Training Institutions

The statement of receipts and payments reflects an amount of Kshs.40,163,379 in respect to other grants and transfers as disclosed in Note 8 to the financial statements

out of which Kshs.13,768,000 was in respect to bursary to tertiary institutions. Included in this amount is Kshs.435,000 issued to Technical Vocational Education and Trainings (TVETs) institutions with expired licenses and Kshs.32,000 issued to unlicensed TVETs. This was contrary to Section 17(1) of Technical and Vocational Education Act, 2013 which requires that no person or institution shall offer training in Kenya unless the person or institution has been accredited, licensed and registered under this Act to offer such training.

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

2. Project Implementation Status Report

The statement of receipts and payments reflects an amount Kshs.15,549,925 in respect to transfer to other Government units as disclosed in Note 7 to the financial statements. Review of the Project Implementation Status report indicated that fifty-six (56) projects totaling Kshs.72,661,190 were budgeted for in the financial year. However, only four (4) projects with an estimated allocation of Kshs.3,450,000 were started but not completed by the end of the financial year. Further, fifty-two (52) projects budgeted at Kshs.69,211,190 had not been started as at the end of the financial year.

In the circumstances, failure to implement the approved projects affected the planned activities and may have impacted negatively on service delivery to the public.

3. Lack of an Approved Annual Procurement Plan

During the year under review, Management did not have an approved procurement plan for goods, services and works. This was contrary to Regulation 25 (1) of the National Government Constituencies Development Fund Regulations, 2016 which states that the officer of the Board seconded to the Constituency shall prepare a detailed budget, procurement plan and work plan for the year and present them to the Committee for approval.

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 CONTROL, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Control, Risk Management and Governance section of my

report, I confirm that, nothing else has come to my attention to cause me to believe that internal control, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy

During the year under review, Management had not developed a Risk Management Policy to guide on risk assessment and formulation of risk mitigation strategies. This was contrary to Regulation 165(1)(a)(b) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the national government entity develops risk management strategies.

In the circumstances, the effectiveness of internal controls built within the financial and operational systems were functioning as intended.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


24 June, 2024

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

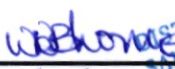
	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	57,000,000	182,177,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		57,000,000	182,177,758
Payments			
Compensation Of Employees	4	3,562,978	4,789,663
Committee expenses	5	2,398,500	3,500,000
Use Of Goods and Services	6	5,695,305	4,837,998
Transfers To Other Government Units	7	15,549,925	107,239,800
Other Grants and Transfers	8	40,163,379	49,588,489
Acquisition Of Assets	9	601,103	-
Other Payments	10	-	-
Total Payments		67,971,190	169,955,950
Surplus/(Deficit)		(10,971,190)	12,221,808

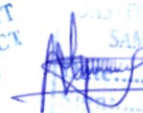
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 21st September 2023 and signed by:


Fund Account Manager
Name: David K. Cheruiyot




National Sub-County Accountant
Name: Beatrice Kingori
ICPAK M/No:20550


Chairman NG-CDF Committee
Name: Mathew Lalaigwanani




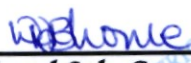
IX. Statement Of Assets and Liabilities As At 30th June, 2023

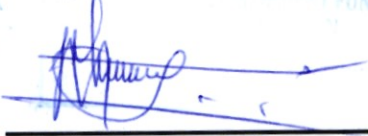
	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	11A	14,210,978	25,182,168
Cash Balances (Cash at Hand)	11B	-	-
Total Cash and Cash Equivalents		14,210,978	25,182,168
Accounts Receivable			
Outstanding Imprests	12	-	-
Total Financial Assets		14,210,978	25,182,168
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	-	-
Total Financial Liabilities		-	-
Net Financial Assets		14,210,978	25,182,168
Represented By			
Fund Balance B/Fwd.	15	25,182,168	12,960,360
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		(10,971,190)	12,221,808
Net Financial Position		14,210,978	25,182,168

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

The Constituency financial statements were approved by NG CDFC on 21st September 2023 and signed by:


Fund Account Manager
 Name: David K. Cheruiyot


National Sub-County Accountant
 Name: Beatrice Kingori
 ICPAK M/No:20550


Chairman NG-CDF Committee
 Name: Mathew Lalaigwanani

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

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	57,000,000	182,177,758
Other Receipts	3	-	-
Total Receipts		57,000,000	182,177,758
Payments			
Compensation Of Employees	4	3,562,978	4,789,663
Committee Expenses	5	2,398,500	3,500,000
Use Of Goods and Services	6	5,695,305	4,837,998
Transfers To Other Government Units	7	15,549,925	107,239,800
Other Grants and Transfers	8	40,163,379	49,588,489
Other Payments	10	-	-
Total Payments		67,370,087	169,955,950
Total Receipts Less Total Payments		(10,370,087)	12,221,808
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		(10,370,087)	12,221,808
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	(601,103)	-
Net Cash Flows from Investing Activities		(601,103)	-
Net Increase In Cash And Cash Equivalent		(10,971,190)	12,221,808
Cash & Cash Equivalent At Start Of The Year	11	25,182,168	12,960,360
Cash & Cash Equivalent At End Of The Year	11	14,210,978	25,182,168

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

The Constituency financial statements were approved by NG CDFC on 21st September 2023 and signed by:

Fund Account Manager

Name: David K. Cheruiyot

National Sub-County
Accountant

Name: Beatrice Kingori
ICPAK M/No:20550

Chairman NG-CDF
Committee

Name: Mathew Lalaigwanani

XI. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	30/6/2023		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	138,215,033	25,182,168		163,397,201	82,182,168	81,215,033	50.3%
Proceeds From Sale of Assets				-	-	-	
Other Receipts				-	-	-	
Totals	138,215,033	25,182,168		163,397,201	82,182,168	81,215,033	50.3%
Payments							
Compensation Of Employees	3,789,348	218,665		4,008,013	3,562,978	445,035	88.9%
Committee Expenses	2,508,000			2,508,000	2,398,500	109,500	95.6%
Use Of Goods and Services	6,142,004			6,142,004	5,695,305	446,699	92.7%
Transfers To Other Government Units	58,500,000	19,839,925		78,339,925	15,549,925	62,790,000	19.8%
Other Grants and Transfers	45,011,345	1,022,475		46,033,820	40,163,379	5,870,441	87.2%
Acquisition Of Assets	2,125,000	601,103		2,726,103	601,103	2,125,000	22.0%
Oversight Committee Expenses	1,300,000			1,300,000		1,300,000	0.0%
Other Payments				-	-	-	
Funds Pending Approval**	18,839,336	3,500,000		22,339,336		22,339,336	0.0%
Totals	138,215,033	25,182,168		163,397,201	67,971,190	95,426,011	41.6%

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

EXPLANATORY NOTES

- a) Compensation of employees was fairly stated with current funding and opening balance having no huge discrepancies.
- b) Transfer to other government units was at 19.8% due to late project approval and release of funds from the NGCDF Board.
- c) Other grants and transfers to other government units was 87.2% of the opening balance and disbursed fund but from the original budget it did not perform well as some funds were undisbursed by the end of the financial year.
- d) Acquisition of assets was at 22.0% due to late project approval and release of funds from the NGCDF Board.
- e) Funds pending approval at 0.0% was due to the fact that the projects are yet to be approved by the NGCDF Board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	95,426,011
Less undisbursed funds receivable from the Board as at 30 th June 2023	81,215,033
	14,210,978
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 th June 2023	14,210,978

The Constituency financial statements were approved by NG CDFC on 21st September 2023 and signed by:



Fund Account Manager
Name: David K. Cheruiyot





National Sub-County Accountant
Name: Beatrice Kingori
ICPAK M/No:20550







Chairman NG-CDF Committee
Name: Mathew Lalaigwanani

XII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,789,348	218,665.30		4,008,013	3,562,978	445,035
1.2 Committee allowances	1,128,000			1,128,000	1,098,500	29,500
1.3 Use of goods and services	3,375,554			3,375,554	3,163,382	212,172
2.0 Monitoring and evaluation						
2.1 Capacity building	1,265,943			1,265,943	1,156,143	109,800
2.2 Committee allowances	1,380,000			1,380,000	1,300,000	80,000
2.3 Use of goods and services	1,500,507			1,500,507	1,375,780	124,727
3.0 Emergency						
Sereolipi Primary	250,000			250,000	250,000	-
Wamba Mixed Day Sec	250,000			250,000	250,000	
Assistant County Comm	180,000			180,000	180,000	
Wamba Admin Police	250,000			250,000	250,000	

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

Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
Unutilised	6,706,190			6,706,190	6,531,500	174,690
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	21,275,155			21,275,155	20,701,879	573,276
4.3 Tertiary Institutions	12,000,000	22,475		12,022,475	12,000,000	22,475
4.4 Universities						
4.5 Social Security						
5.0 Sports						
5.1 Constituency Sports tournament	2,300,000			2,300,000		2,300,000
5.2 Regional sports tournament	300,000			300,000		300,000
6.0 Environment						
6.1						
7.0 Primary Schools Projects (List all the Projects)						
Sukuroi Primary School		80,000		80,000	80,000	-
Noolotoro Primary		80,000		80,000	80,000	-
Noolotoro Primary		40,000		40,000	40,000	-
Nairimirimo Primary		150,000		150,000	150,000	-

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Nairimirimo Primary		800,000		800,000	800,000	-
Lerata Primary School		40,000		40,000	40,000	-
Swari Primary School		80,000		80,000	80,000	-
Kibartare Primary School		40,000		40,000	40,000	-
Nkiseu Primary School		40,000		40,000	40,000	-
Milimani Primary School		40,000		40,000	40,000	-
Muugur Primary School		40,000		40,000	40,000	-
Lmarmaroi Primary Schol		40,000		40,000	40,000	-
Meuwa Primary School		40,000		40,000	40,000	-
Matakwani Primary		40,000		40,000	40,000	-
Lempaute Primary School		80,000		80,000	80,000	-
Mpassion Primary School		40,000		40,000	40,000	-
Lorubae Primary School		200,000		200,000	200,000	-
Uaso Muslim Primary		400,000		400,000	400,000	-

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

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Uaso Muslim Primary		500,000		500,000	500,000	-
Kalama Primary School		400,000		400,000	400,000	-
Leiroya Primary School		1,000,000		1,000,000	1,000,000	-
Milgis Primary School		50,000		50,000	50,000	-
Lauragi Primary School		1,000,000		1,000,000	1,000,000	-
Naisunyai Primary School		40,000		40,000	40,000	-
Lmarmaroi Primary Schol		1,000,000		1,000,000	1,000,000	-
Ngutuk Elmuget Primary		139,925		139,925	139,925	-
Wamba Deb Primary Schol		40,000		40,000	40,000	-
Ntepes Primary School		50,000		50,000	50,000	-
Kiltamany Primary School		500,000		500,000	500,000	-
Wamba Muslim Primary		40,000		40,000	40,000	-
Reteti Mercy Primary		80,000		80,000	80,000	-
Sarara Primary School		40,000		40,000	40,000	-
Milgis Primary School		40,000		40,000	40,000	-

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Muugur Primary School		500,000		500,000	500,000	-
Sasab Primary School		40,000		40,000	40,000	-
Sionta Primary School		200,000		200,000	200,000	-
Sionta Primary School		1,500,000		1,500,000	210,000	1,290,000
Sasab Primary School		1,000,000		1,000,000		1,000,000
Wamba Muslim Primary		1,000,000		1,000,000		1,000,000
Lauragi Primary School	2,400,000			2,400,000		2,400,000
Ngilai Primary School	2,400,000			2,400,000		2,400,000
Lorok-Onyokie Primary School	1,200,000			1,200,000		1,200,000
Lkuasi Primary School	2,400,000			2,400,000		2,400,000
Matakwani Primary School	1,100,000			1,100,000		1,100,000
Lentanai Primary School	1,100,000			1,100,000		1,100,000
Leiroyia Primary School	1,200,000			1,200,000		1,200,000
Nchok Primary School	1,200,000			1,200,000		1,200,000
Reteti Primary School	1,200,000			1,200,000		1,200,000

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Nagor-Owuoru Primary School	500,000			500,000		500,000
Lesiteti Primary School	1,200,000			1,200,000		1,200,000
Nalepo-Boo Primary School	1,200,000			1,200,000		1,200,000
Kule Primary School	1,200,000			1,200,000		1,200,000
Lopesiwo Primary School	500,000			500,000		500,000
Wamba Deb Primary School	1,100,000			1,100,000		1,100,000
Ntepes Primary School	450,000			450,000		450,000
Ntepes Primary School	1,200,000			1,200,000		1,200,000
Ntepes Primary School	300,000			300,000		300,000
Milimani Primary School	1,100,000			1,100,000		1,100,000
Lkisin Primary School	1,200,000			1,200,000		1,200,000
Lkisin Primary School	200,000			200,000		200,000
Lolkuniyani Primary School	500,000			500,000		500,000
Lpus Leluai Primary School	300,000			300,000		300,000

Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Sukuroi Primary School	1,200,000			1,200,000		1,200,000
Lempaute Primary School	1,200,000			1,200,000		1,200,000
Nkiseu Primary School	1,200,000			1,200,000		1,200,000
Naisunyai Primary School	1,000,000			1,000,000		1,000,000
Nairimirimo Primary	1,200,000			1,200,000		1,200,000
Milgis Primary School	1,200,000			1,200,000		1,200,000
Pareu Primary School	1,200,000			1,200,000		1,200,000
Kibartare Primary School	250,000			250,000		250,000
Lerata Primary School	200,000			200,000		200,000
Waso Muslim Primary School	500,000			500,000		500,000
Ndume Primary School	1,200,000			1,200,000		1,200,000
Lderkesi Primary School	200,000			200,000		200,000
Nkiseu Primary School	250,000			250,000		250,000
8.0 Secondary Schools Projects (List All The Projects)						
Wamba Mixed Secondary		4,000,000		4,000,000	4,000,000	-

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Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Uaso Girls Secondary		235,000		235,000	235,000	-
Tipito Girls Secondary		235,000		235,000	235,000	-
Wamba Mixed Secondary		235,000		235,000	235,000	-
Nalele Boys Secondary		235,000		235,000	235,000	-
Nkaroni Girls Secondary		235,000		235,000	235,000	-
Seiya Boys Secondari		235,000		235,000	235,000	-
Ngilai Mixed Sec School		3,000,000		3,000,000	2,000,000	1,000,000
Tipito Girls Secondary	7,200,000			7,200,000		7,200,000
Seiya Boys Secondari	3,000,000			3,000,000		3,000,000
Nkaroni Girls Secondary	1,300,000			1,300,000		1,300,000
Nkaroni Girls Secondary	1,000,000			1,000,000		1,000,000
Nalele Boys Secondary	3,000,000			3,000,000		3,000,000
Ngilai Mixed Sec School	250,000			250,000		250,000
Wamba Girls Secondary School	1,000,000			1,000,000		1,000,000

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Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Uaso Boys Secondary School	1,500,000			1,500,000		1,500,000
Naracha Boys Secondary School	3,000,000			3,000,000		3,000,000
Naracha Boys Secondary School	1,300,000			1,300,000		1,300,000
9.0 Tertiary Institutions Projects (List All The Projects)						
9.1						
9.2						
10.0 Security Projects						
Archers Post Acc Fence		1,000,000		1,000,000		1,000,000
Lodungokwe Police Post	1,500,000			1,500,000		1,500,000
11.0 Acquisition Of Assets						
Toilet Construction	-	304,569		304,569	304,569	-
Constituency Motorbike	-	296,534	-	296,534	296,534	-
Samburu East Ng-Cdf Office	1,300,000			1,300,000		1,300,000
Samburu East Ng-Cdf Office	300,000			300,000		300,000
Samburu East Ng-Cdf Office	525,000			525,000		525,000
12.0 Oversight Committee Expenses						

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Programme/Sub-programme	Original Budget 2022-2023	Adjustments		Final Budget 2022-2023	Actual on comparable basis 30/06/2023	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Daily Subsistence Allowance	300,000			300,000		300,000
Hire Of Training Facilities	35,000			35,000		35,000
Committee Expenses	150,000			150,000		150,000
Catering Services	40,000			40,000		40,000
Remuneration Of Instructors And Contract Based Training Services	25,000			25,000		25,000
Travel Allowance	50,000			50,000		50,000
Purchase Of Fuel And Lubricants	100,000			100,000		100,000
Constituency Oversight Committee Sitting Allowance	600,000			600,000		600,000
13.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						
14.0 Unallocated Fund						
Funds pending approval**	18,839,336	3,500,000.00		22,339,336		22,339,336
Total	138,215,033	25,182,168	-	163,397,201	67,971,190	95,426,011

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

XIV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO. B 105277		33,000,000
AIE NO. B 089089		12,088,879
AIE NO. B 154477		24,088,879
AIE NO. B 105669		44,000,000
AIE NO. B 105924		22,000,000
AIE NO. B 128691		5,000,000
AIE NO. B 163853		12,000,000
AIE NO. B 154198		12,000,000
AIE NO. B 154421		18,000,000
AIE NO. B 185773	21,000,000	
AIE NO. B 185242	7,000,000	
AIE NO. B 205591	12,000,000	
AIE NO. B 205885	12,000,000	
AIE NO. B 206093	5,000,000	
TOTAL	57,000,000	182,177,758

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-

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Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,736,202	2,635,883
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	359,500
Leave allowance	-	39,643
Other Personnel Payments		300,000
Gratuity to contractual employees	691,794	1,179,985
Employer Contributions Compulsory national social security schemes	134,982	274,652
Total	3,562,978	4,789,663

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,079,500	1,248,000
Other committee expenses	319,000	2,252,000
Total	2,398,500	3,500,000

6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	135,000	229,000
Communication, supplies and services	322,200	188,230
Domestic travel and subsistence	380,000	47,523
Printing, advertising and information supplies & services	-	401,640
Rentals of produced assets	-	-
Training expenses	453,943	2,500,000
Hospitality supplies and services	1,171,500	-
Insurance costs	-	-
Specialized materials and services	105,914	-
Office and general supplies and services	860,128	580,326
Fuel, oil & lubricants	1,160,000	-
Other operating expenses	50,000	783,113
Routine maintenance – vehicles and other transport equipment	987,340	108,166
Routine maintenance – other assets	69,280	-
Total	5,695,305	4,837,998

Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	8,139,925	25,110,000
Transfers To Secondary Schools (See Attached List)	7,410,000	78,629,800
Transfers To Tertiary Institutions (See Attached List)	-	3,500,000
Total	15,549,925	107,239,800

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	18,933,879	16,352,325
Bursary – tertiary institutions (see attached list)	13,768,000	17,477,525
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programs (NHIF)	-	-
Security projects (see attached list)	-	1,000,000
Sports projects (see attached list)	-	2,741,777
Environment projects (see attached list)	-	4,824,645
Emergency projects (see attached list)	7,461,500	7,192,207
Roads projects (see attached list)	-	-
Total	40,163,379	49,588,479

Notes To the Financial Statements (Continued)**9. Acquisition Of Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	304,569	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	296,534	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	601,103	-

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
	-	-
	-	-
	-	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
Equity Bank, Maralal Branch A/C no. 1100261742735	14,210,978	25,182,168
	-	-
Total	14,210,978	25,182,168
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations	-	-
Total	-	-

13. Outstanding Imprests

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

Notes to the Financial Statement Continued**14. A. Retention**

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

14 B. Gratuity

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

15. Fund Balance B/F

	(1 st July 2022)	(1 st July 2021)
	Kshs	Kshs
Bank accounts	25,182,168	12,960,360
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	25,182,168	12,960,360

16. Prior Year Adjustments

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

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

17. Changes In Accounts Receivable – Outstanding Imprests

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

18. Changes In Accounts Payable – Deposits and Retentions

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

Notes To the Financial Statements (Continued)**19. Other Important Disclosures****19.1: Pending Accounts Payable (See Annex 1)**

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

19.2: Pending Staff Payables (See Annex 2)

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

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	445,035	218,662
Committee expense	109,500	-
Use of goods and services	446,699	-
Amounts due to other Government entities (see attached list)	62,790,000	19,839,928
Amounts due to other grants and other transfers (see attached list)	5,870,441	1,022,475
Acquisition of assets	2,125,000	601,103
	1,300,000	
Other Payments (<i>specify</i>)	-	-
Funds pending approval	22,339,336	3,500,000
Total	95,426,011	25,182,168

19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	692,309	4,401,976
Total	692,309	4,401,976

XV. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 20xx	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Compensation of employees		445,035.30	218,662	
Use of goods & services		556,198.98		
Amounts due to other Government entities				
Sukuroi Primary School			80,000	
Noolotoro Primary			80,000	
Noolotoro Primary			40,000	
Nairimirimo Primary			150,000	
Nairimirimo Primary			800,000	
Lerata Primary School			40,000	
Swari Primary School			80,000	
Kibartare Primary School			40,000	
Nkiseu Primary School			40,000	
Milimani Primary School			40,000	
Muugur Primary School			40,000	
Lmarmaroi Primary Schol			40,000	
Meuwa Primary School			40,000	
Matakwan Primary			40,000	
Lempaute Primary School			80,000	
Mpassion Primary School			40,000	
Lorubae Primary School			200,000	
Uaso Muslim Primary			400,000	

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Uaso Muslim Primary			500,000	
Kalama Primary School			400,000	
Leiroya Primary School			1,000,000	
Milgis Primary School			50,000	
Lauragi Primary School			1,000,000	
Naisunyai Primary School			40,000	
Lmarmaroi Primary Schol			1,000,000	
Ngutuk Elmuget Primary			139,925	
Wamba Deb Primary Schol			40,000	
Ntepes Primary School			50,000	
Kiltamany Primary School			500,000	
Wamba Muslim Primary			40,000	
Reteti Mercy Primary			80,000	
Sarara Primary School			40,000	
Milgis Primary School			40,000	
Muugur Primary School			500,000	
Sasab Primary School			40,000	
Sionta Primary School			200,000	
Sionta Primary School			1,500,000	
Sasab Primary School			1,000,000	
Wamba Muslim Primary			1,000,000	
Sionta Primary School		1,290,000		
Sasab Primary School		1,000,000		

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Wamba Muslim Primary		1,000,000		
Lauragi Primary School		2,400,000		
Ngilai Primary School		2,400,000		
Lorok-Onyokie Primary School		1,200,000		
Lkuasi Primary School		2,400,000		
Matakwani Primary School		1,100,000		
Lentanai Primary School		1,100,000		
Leiroyia Primary School		1,200,000		
Nchok Primary School		1,200,000		
Reteti Primary School		1,200,000		
Nagor-Owuoru Primary School		500,000		
Lesiteti Primary School		1,200,000		
Nalepo-Boo Primary School		1,200,000		
Kule Primary School		1,200,000		
Lopesiwo Primary School		500,000		
Wamba Deb Primary School		1,100,000		
Ntepes Primary School		450,000		

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Ntepes Primary School		1,200,000		
Ntepes Primary School		300,000		
Milimani Primary School		1,100,000		
Lkisin Primary School		1,200,000		
Lkisin Primary School		200,000		
Lolkuniyani Primary School		500,000		
Lpus Leluai Primary School		300,000		
Sukuroi Primary School		1,200,000		
Lempaute Primary School		1,200,000		
Nkiseu Primary School		1,200,000		
Naisunyai Primary School		1,000,000		
Nairimirimo Primary		1,200,000		
Milgis Primary School		1,200,000		
Pareu Primary School		1,200,000		
Kibartare Primary School		250,000		
Lerata Primary School		200,000		
Waso Muslim Primary School		500,000		

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Ndume Primary School		1,200,000		
Lderkesi Primary School		200,000		
Nkiseu Primary School		250,000		
Secondary Schools				
Wamba Mixed Secondary			4,000,000	
Uaso Girls Secondary			235,000	
Tipito Girls Secondary			235,000	
Wamba Mixed Secondary			235,000	
Nalele Boys Secondary			235,000	
Nkaroni Girls Secondary			235,000	
Seiya Boys Secondari			235,000	
Ngilai Mixed Sec School			3,000,000	
Ngilai Mixed Sec School		1,000,000		
Tipito Girls Secondary		7,200,000		
Seiya Boys Secondari		3,000,000		
Nkaroni Girls Secondary		1,300,000		
Nkaroni Girls Secondary		1,000,000		
Nalele Boys Secondary		3,000,000		
Ngilai Mixed Sec School		250,000		
Wamba Girls Secondary School		1,000,000		

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Uaso Boys Secondary School		1,500,000		
Naracha Boys Secondary School		3,000,000		
Naracha Boys Secondary School		1,300,000		
Sub-Total		62,790,000	19,839,925	
Amounts due to other grants and other transfers				
Emergency		174,690		
Sports		2,300,000		
Bursary		595,751	22,475	
Archers Post Acc Fence		1,000,000	1,000,000	
Lodungokwe Police Post		1,500,000		
Sub-Total		5,870,441	1,022,475	
Acquisition of assets				
Ng-Cdf Office Motorcycle	Purchase Of A Motorcycle		296,475	
Samburu East Ng-Cdf Office	Construction Of A Toilet		304,569	
Samburu East Ng-Cdf Office		1,300,000		
Samburu East Ng-Cdf Office		300,000		
Samburu East Ng-Cdf Office		525,000		
Sub-Total		2,125,000	601,044	
Oversight Committee Expenses				
Daily Subsistence Allowance		300,000		

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

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Hire Of Training Facilities		35,000		
Committee Expenses		150,000		
Catering Services		40,000		
Remuneration Of Instructors And Contract Based Training Services		25,000		
Travel Allowance		50,000		
Purchase Of Fuel And Lubricants		100,000		
Constituency Oversight Committee Sitting Allowance		600,000		
Sub-Total		1,300,000.00		
Others (specify)				
Sub-Total				
Funds pending approval		22,339,336.03	3,500,000	
Grand Total		95,426,011.31	25,182,106	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				-
Buildings and structures		304,569		304,569
Transport equipment	3,744,473	296,534		4,041,007
Office equipment, furniture and fittings	2,622,500			2,622,500
ICT Equipment, Software and Other ICT Assets				-
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	6,366,973	601,103		6,968,076

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

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Girgir Mixedday Secondary	EQUITY	410267467726	2,491	4,351
Nkare Narok Primary School	EQUITY	410273413162	1,740	475,920
Lengarde Primary School	EQUITY	410279999397	18,735	19,247
Nalele Boys Secondary School	EQUITY	410280179031	289,631	3,403,311
Sereolipi Police Station	EQUITY	410281138619	94,370	94,430
Ntepes Primary School	EQUITY	1100277414119	780	890
Nalepo Boo Primary School	EQUITY	1100279100361	-	60,000
Ndonyo Nasipa Primary School	EQUITY	1100280031563	1,598	276,597
Narasha Boys Secondary School	EQUITY	1100279071992	8,953	800
Matakwan Primary School	EQUITY	1100278745319	60,720	-
Engilae Primary School	EQUITY	1100279909150	2,488	2,488
Lodungokwe Primary School	EQUITY	1100280028016	248	248
Nkaroni Girls Secondary School	EQUITY	1100282198870	4,400	4,400
Kule Primary School	EQUITY	1100279774417	4,008	4,008
Milimani Primary School	EQUITY	1100278860310	1,980	1,980
Seiya Boys Secondary School	EQUITY	1100279067210	3,044	2,700
Uaso Girls Secondary School	EQUITY	410277245732	3,559	13,000
Ndonyo Wasin Primary	EQUITY	410267122070	10,080	1,600
Sirata Lemurt Primary School	EQUITY	410278832558	10,120	637
Sukuroi Primary School	EQUITY	410267405268	85,280	-
Silango Nanyokieprimary School	EQUITY	410262838148	1,285	570
Lorok Onyokie Primary School	EQUITY	1100277394206	27,455	6,000
Lmarmaroi Primary School	EQUITY	410277394206	45,858	1,500
Tipito Girls Secondary School	EQUITY	410277529526	1,278	27,000
Mpassion Primary School	EQUITY	1100277526178	2,210	300
Raraiti Primary School	EQUITY	11278860257	10,000	-
Girgir Mixedday Secondary	EQUITY	410267467726	2,491	4,351
Nkare Narok Primary School	EQUITY	410273413162	1,740	475,920
Total			692,309	4,401,976

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Cen. Hub Samburu East.Cdf.15	Variance between supporting schedules and financial statements	Variances amended and resubmitted	resolved	
Cen. Hub. Samburu East. Cdf.15	Errors in annual reports and financial statements	Errors amended to reflect the challenges and submitted	resolved	
Cen. Hub. Samburu East. Cdf.15	Stalled projects not adequately funded	Funds will be allocated in the current code list	resolved	
Cen. Hub. Samburu East. Cdf.15	Lack of risk policy	Risk policy currently under development	resolved	
Cen. Hub. Samburu East. Cdf.15	Lack of fire policy	Issue noted and steps taken to correct	resolved	
Cen. Hub. Samburu East. Cdf.15	Variance between supporting schedules and financial statements	Variances amended and resubmitted	resolved	

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 Name: David Kiprono Cheruiyot
 Fund Account Manager.

