

REPUBLIC OF KENYA



*Enhancing Accountability*



# REPORT

THE NATIONAL ASSEMBLY PAPERS LAID		OF
DATE:	06 AUG 2024	DAY: TUE 6/8/2024
TABLED BY:	Deputy Majority Whip	
CLERK-AT-THE-TABLE:	Benson Inzofu	

## THE AUDITOR-GENERAL

ON

### NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – POKOT SOUTH CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2023



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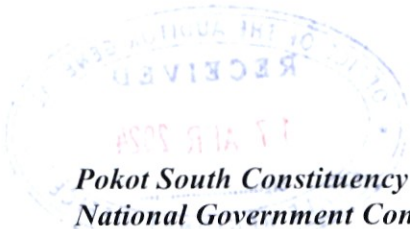
**POKOT SOUTH CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



***Pokot South Constituency  
National Government Constituencies Development Fund (NG-CDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023***

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**I. Acronyms and Abbreviations**

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

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards

NG-CDFC- National Government Constituency Development Fund Committee

PMC-Project Management Committee

FY-Financial Year



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

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

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

### **Mandate**

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

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

- 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 Pokot South NGCDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

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**Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Festus Kipomet
2.	Sub-County Accountant	Alex Muhando
3.	Chairman NG-CDFC	Julius Siwareng
4.	Member NG-CDFC	Jacob Yarangole

**(c) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Pokot South Constituency NG-CDF. The reports and recommendation of ARMC when adopted by the NG-CDF 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) Pokot South Constituency NG-CDF Headquarters**

P.O. Box 681-30600, KAPENGURIA  
Chepareria Divisional HQs Building  
Pokot South Constituency  
Kapenguria - Lodwar Road  
Nairobi, KENYA

**(e) Pokot South Constituency NG-CDF Contacts**

Telephone: (254) 768 173 566  
E-mail: [cdfpokotsouth@ngcdf.go.ke](mailto:cdfpokotsouth@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(f) Pokot South Constituency NGCDF Bankers**

Equity Bank Kapenguria  
A/c no: 1070261730873  
P.O BOX 75104  
KAPENGURIA

**(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



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**III. NG-CDFC Chairman’s Report**



**Julius Siwareng**  
**Pokot South NG-CDFC Chairman**

The total allocation for Pokot South NG-CDF in the Financial Year 2022/2023 was Kshs 138,215,033. The balance brought forward from the Financial Year 2021/2022 was Kshs 9,442,271. As at 30<sup>th</sup> June 2022, the total amount owing to the Pokot South Constituency from the NG-CDF Board was Kshs 12,088,879.

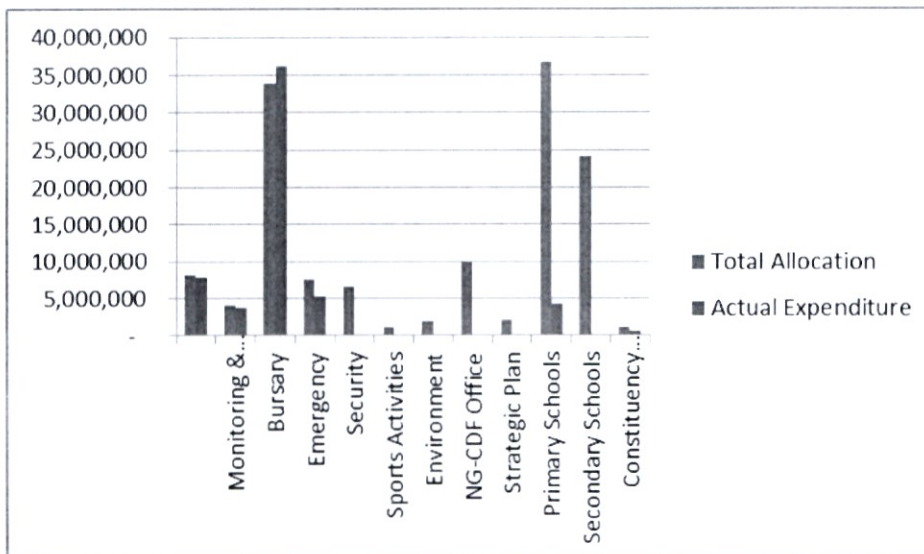
Pokot South Constituency received a total of Kshs 87,000,000 during the year from the Board. This translates to a total of Kshs 96,442,271 as the available funds during the year.

During the year under review, Pokot South NG-CDF was able to spend Kshs 58,088,325.

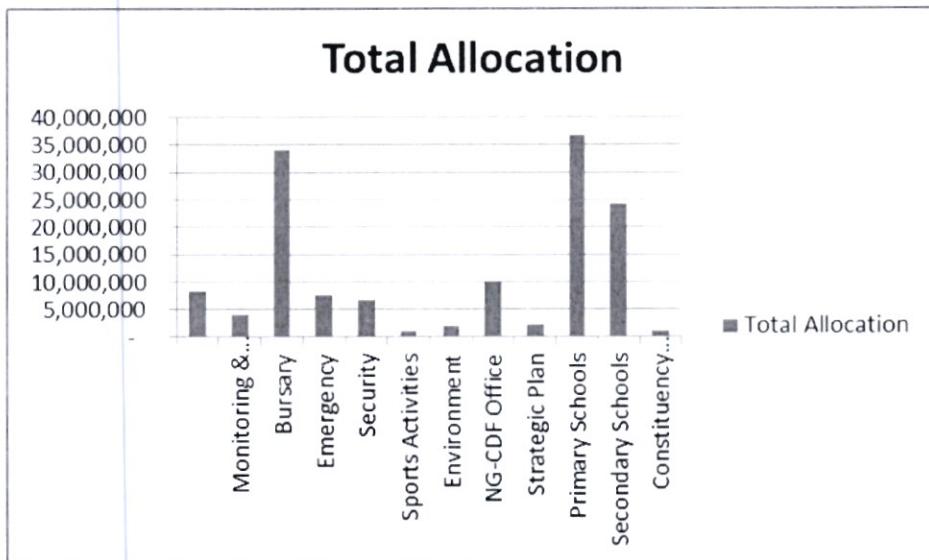
This represents 60% of the received funds during the year. Thus, interpreted as 60% of the projects have been funded at the end of the year.

Pokot south NG-CDF has noted the following:

- There is need for timely disbursements from the board to avoid delays in project implementation.
- Project funding and implementation is determined by the disbursement from the NG-CDF Board
- There is need for more allocation of funds to the constituency to achieve the intended purpose of the NG-CDF funds of poverty reduction at the constituency level
- Education sector is still in dire need for massive infrastructure in the constituency especially Junior secondary schools



The year allocations against actual expenditures per sector



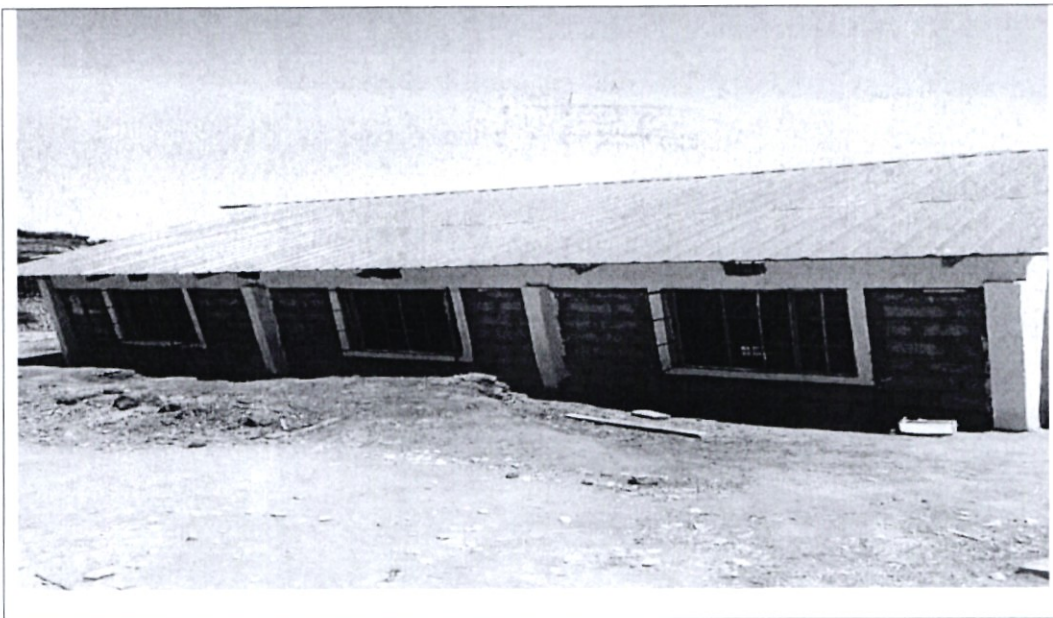
Allocations to various programs

**Key achievements in the financial year 2022/2023:**

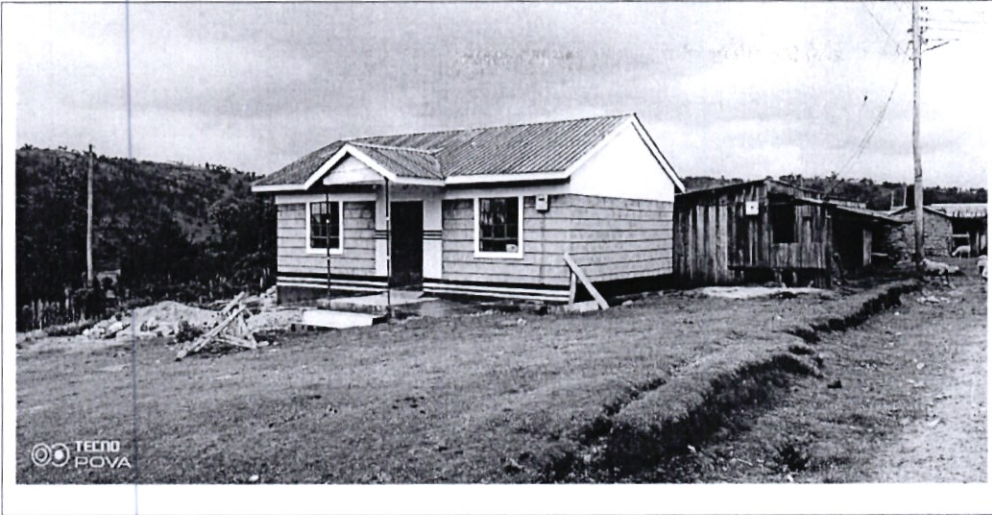
Pokot South Constituency planned to implement 73 projects in the year 2022/2023 as at 30<sup>th</sup> June 2023, however as at the above stated date the NG-CDFCs only implemented 7 projects. This was occasioned by the delayed funding from the NG-CDF Board to the constituency, and the piecemeal disbursements received were channeled to bursaries for needy students



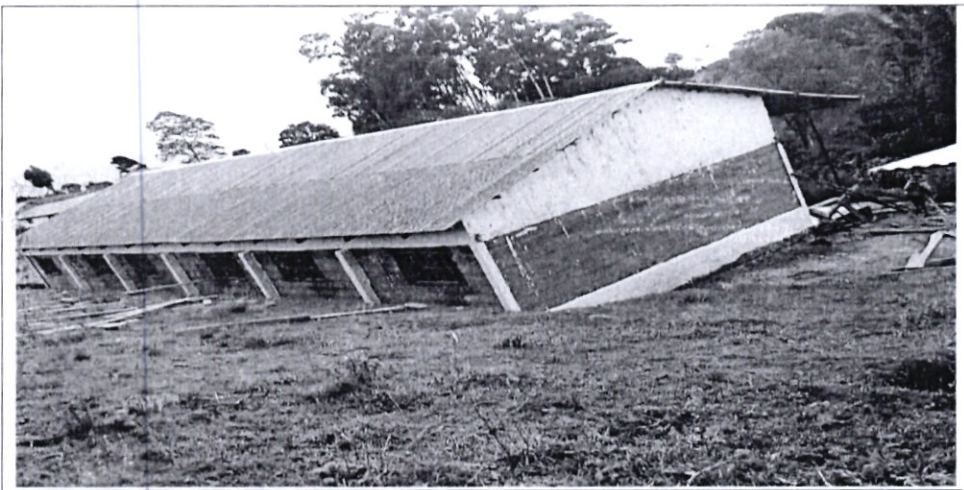
**Fig. 1: Tapach primary school. Construction of Dining Hall**



**Fig. 2 above: Kapara Primary School. Ongoing construction of one classroom**



**Fig. 3: Kaptabuk Location Chiefs Office**



**Fig. 4: St. Joseph Samich Secondary School- Ongoing construction of 2 classrooms**



**Fig. 5: Batei ACC's Office- Construction Batei ACC's office**

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Pokot South NG-CDF has implementation challenges which include;

- Delays in project implementation by the project management committee
- Inadequate allocation of funds to the constituency
- Delayed funding to the constituency from the NG-CDF Board
- Delayed delivery of building materials due to poor infrastructure in the upper part of the constituency especially during rainy season
- Poor documentation of project files by the PMCs

Pokot South NG-CDF recommendations:

- Timely funding to avoid delays.
- Adequate allocation of funds to Constituency
- Improved road network within the constituency for easy movement of materials
- Adequate training of PMCs regarding NG-CDF projects files and funds management



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**Name: Julius Siwareng  
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 objective of NGCDF-POKOT SOUTH Constituency's 2022-2027 plans: Pokot South is a constituency within West Pokot County in the North rift whose latent for growth is promising. The constituency is proud of itself of being very potent and among the most capable constituents, its geographical location and the existence of vast untapped natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalize on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure, better education and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

##### **Key development objectives of NG-CDF Pokot South Constituency**

To achieve the above, key development objectives of NG-CDFC-Pokot South Constituency's strategic plans included but not limited to;

##### **I. Strategic Area One: Education.**

**Objective:** Become a national model of education by improving schools infrastructure, Improving performance, reducing dropout rates and increasing primary, secondary and 100% education transition rates.

**Initiative 1:** Develop and enhance schools infrastructure to enhance facilities and provide Conducive learning environment for children.

**Initiative 2:** Enhance and develop social programmes that support education within the Constituency.

##### **II. Strategic Area Two: Water and Environment.**

**Objective:** Improve access to clean water and a more sustainable and conserved environment in Pokot South constituency through natural resource conservation initiatives.

**Initiative 1:** Initiate and enhance conservation programs within the constituency.

**Initiative 2:** Water and Sanitation: To ensure water sustainability in the Constituency, and better sanitation facilities in learning institution in Pokot South Constituency.

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**III. Strategic Area Three: Security**

**Objective:** Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure.

**Initiative:** Improving infrastructure and service delivery

**IV. Strategic Area Four: Sports.**

**Objective:** Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

**Initiative:** Develop and empower youth and special groups through sports activities in the constituency.

**V. Strategic Area Five: Information Communication and Technology (ICT)**

**Objective:** Enhance access to information and technology of Pokot South residents and use ICT to enhance service delivery and spurring development.

**Initiative:** Enhancement of infrastructure and accessibility of ICT resources in the constituency.

**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	<i>To have all children of school going age attending school and reduce dropout rates and increase primary, secondary and higher education transition rates</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	Constructed 19 new classrooms, 1 administration block and renovation 10 Primary Schools, 14 new classrooms to secondary schools. 1 bus of 51 seater for secondary school. 6,070 students benefited from bursaries
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Increased Chiefs camps, ACCs offices, police stations	Number of usable physical infrastructure built in locations, sub locations and police stations	Funded 4 security projects (2 Assistant county commissioners offices, 1 chiefs office and Kipkomo DCC office)
Environment	Improve conservation of environment through natural resources conservation initiatives	Equip schools, security projects and public	Number of sanitation facilities built in primary, secondary	Implemented 5 environmental activities (3 Pit latrines and 2 water conservation

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			facilities with sanitation facilities	and security	activities)
Sports	Empower and develop youth and special groups in sports	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Funded constituency and regional sports activities	
Emergency	Timely response to an emergency/unforeseen occurrences	Uninterrupted learning in learning institutions and smooth service delivery	Number of projects urgently responded to without causing interruptions to the end user	Implemented 7 emergency projects	



## V. Statement of Governance

### 1 Appointment of NGCDF Members

The formation of the NG-CDFC Members is guided by the NG-CDF Act Section 43(1) (2) (3) & (4).

i. This procedure shall start upon receipt of the guidelines on formation of NG CDFC from the NG CDF Board,

ii. The FAM shall write a letter to the DCC and Constituency Office Manager requesting for the nomination of members of the selection panel as per the guidelines and maintain a record confirming receipt

iii. The DCC shall nominate in writing an officer or his/her representative who will be the chairperson to the NG CDFC selection panel.

iv. The Constituency Office Manager shall nominate in writing two persons of either gender to be members of the selection panel.

v. The chair shall then convene the first selection panel meeting to document criteria for selection of the four members to the NG-CDFC (Male and female adults, male and female youth) and advertise (the applicants shall be given two weeks to submit their applications).

vi. The FAM shall then write to the Constituency Office Manager requesting for the nomination of two persons of either gender as per the guidelines issued by the NG-CDF Board to be members of the NG-CDFC maintain a record confirming receipt

vii. The Constituency Office Manager shall then nominate in writing the two members to the NG-CDFC.

viii. The FAM shall write to a registered group representing people with disabilities in the constituency as per the guidelines as issued by the NG-CDF Board requesting for nomination of one person with disability to sit in the NG-CDF committee and maintain a record confirming receipt

ix. The PWD organization shall nominate in writing a member to the NG-CDFC.

- x. Applications are received at the NG-CDF office and recorded in the application register.
- xi. Within one week after the closure of the advertisement, the Selection panel shall convene to shortlist the suitable candidates as per the criteria in the advert. The successful candidates shall then be called for interviews within seven days.
- xii. The Selection panel shall hold the interviews of the invited candidates and come up with the final list of qualified nominees to the NG-CDFC.
- xiii. The FAM shall then submit to the NG-CDF Board the report of the selection panel which includes seven nominees and the Nominee of the Board to the NG-CDFC as per the guidelines within seven days.
- xiv. The FAM shall ensure that the timelines set out in the regulations are adhered to during the process of selection and appointment of NGCDF Committees

The selected members are forwarded to parliament through CEO of the board for purpose of gazettelement

Upon gazettelement the DCC or the FAM shall for the first meeting where the chairperson and secretary are elected

## **2. NG-CDFC Handing Over Processes**

Paragraph 24(1) of the NG-CDF Regulations 2016 states that the officer of the board seconded to the constituency shall preside over the handover from one Constituency committee to another and shall submit a report on the hand over within fourteen days from the date of the hand over.

## **3. Removal of members is as in the act 2015 section 13, a, b, c, d, e, f and g**

‘A member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;

(g) Physical or mental infirmity.

#### **4 Roles and function of the committee**

- a) Build the capacity of PMCs and sensitise the community on operations of the fund
- b) Consider project proposals from all wards in the constituency
- c) Ensure that all proposed projects that are approved for funding meet the sec 24 of the Act
- d) Consult with relevant line ministries in the implementing the projects
- e) Ensure adequate funding of the proposed projects
- f) Ensure project reports are prepared and forwarded to the board
- g) Submit financial reports to the board within stipulated time

#### **5 Induction and Training**

The committee on being inaugurated are taken for induction by the Board and subsequent training are done the constituency as per the training plan

#### **6 Meetings**

The committee is to have a maximum of 24 meetings and a minimum of 12 in a financial year as per the 2015 Act

The committee members declare conflict of interest in any matter as the procurement and disposal Act by a standard form at the time of the matter the committee members are remunerated.

## **VI. Environmental and Sustainability Reporting**

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

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

To ensure sustainability of Pokot South NG-CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Pokot South NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
  
- b. **Security Sector Support:** Among its key pillars; Pokot South NG-CDF 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 Pokot South 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.

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- d. **Sports:** The Pokot South 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 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

**2. Environmental performance**

- Comply with all relevant environmental legislation, regulations and approved codes of practice.
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water.
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources.
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our NG-CDFC and staff so that we all work in accordance with this and within an environmentally aware culture.
- Regularly communicating our environmental performance to our employees and other significant stakeholders.
- Developing our management processes to ensure that environmental factors are considered during planning and implementation.
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

**Employee welfare**

We invest in providing the best working environment for our employees. Pokot South constituency recruitment is guided by Employment Act, NG-CDF 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. Pokot South constituency invests in capacity

building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

- **Market place practices-**

Pokot South NG-CDF is committed to fair and ethical market practises.

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

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

NG-CDF 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

- **Community Engagements-**

Pokot South NG-CDF 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 Pokot South 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

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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.

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



.....  
**Name: Festus Kipomet  
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-Pokot South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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-Pokot South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Pokot South Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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



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National Government Constituencies Development Fund (NG-CDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023***

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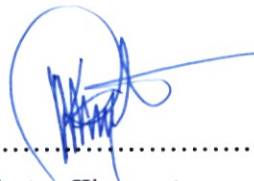
for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF- Pokot South Constituency financial statements were approved and signed by the Accounting Officer on **8<sup>th</sup> September, 2023**.



.....  
**Name: Julius Siwareng**  
**Chairman – NGCDF Committee**



.....  
**Name: Festus Kipomet**  
**Fund Account Manager**



# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - POKOT SOUTH 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 the 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, risk management environment and 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 - Pokot South Constituency set out on pages 1 to 38, which comprise of the statement of receipts and payments as at 30 June, 2023 and the statement of assets and liabilities, statement of cash flows, summary statement of

appropriation and budget execution by sectors and projects for the year 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 effects of the matter 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 - Pokot South 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 (Amendment, 2022) and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Understatement of Fixed Assets**

Annex 4 to the financial statements reflect summary of fixed assets register with total assets amount of Kshs.6,362,243 as at 30 June, 2023. This balance comprises of land with Nil balance, transport equipment Kshs.6,158,843 and ICT equipment, software and other ICT assets Kshs.84,000. However, the size and value for land on which the constituency office building stands has not been determined and included in the financial statements.

In the circumstances, the accuracy and completeness of fixed assets amount of Kshs.6,362,243 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 - Pokot South Constituency Management in accordance with ISSAI 130 on the 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**

#### **1. Budgetary Control and Performance**

The summary statement of appropriation for the year ended 30 June, 2023 reflects a final receipts budget and actual receipts on comparable basis of Kshs.159,746,183 and Kshs.96,442,271 respectively, resulting into under-funding of Kshs.63,303,912 or 60.4% of the budget. However, the Fund spent Kshs.58,088,325 against actual receipts of Kshs.96,442,271 resulting to under-utilization of Kshs.38,353,946 or 40% of the actual receipts.

In the circumstances, the under-funding and under-utilization affected the implementation of planned programmes and activities and may have impacted negatively on service delivery to the public.

## **2. Unresolved Prior Year Matters**

The audit report for the previous years highlighted several issues in Report on Financial Statements, Lawfulness and Effectiveness of Public Resources, and Effectiveness of Internal Control and Governance. However, Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

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

My opinion is not modified in respect of these matters.

### **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 other key audit matters to report in the year under review.

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

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matter described in the Basis for Conclusion, 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**

#### **Anomalies in Completion of Dining Hall for Tapach Primary School**

Note 7 to the financial statements reflect transfers to Primary Schools amounting to Kshs.4,300,000. Out of this balance an amount of Kshs.1,500,000 was incurred on the completion on dining hall for Tapach Primary School. However, review of the project file provided for audit revealed that there were no reports detailing particulars of Project Management Committee (PMC), project proposals, approved drawings and structural design, professional opinion, monitoring and evaluation reports and works completion certificates. Further, the Fund Management failed to provide the expenditure returns to account for the expenditure of Kshs.1,500,000. This was contrary to Section 38 of the National Government Constituencies Development Fund Act, 2015 which states that the officer of the Board in every constituency shall compile and maintain a record showing all receipts, disbursements and actual expenditures on a monthly basis in respect of every project and sub-project.

In addition, physical inspection of the project in the month of March, 2024 revealed that plumbing works were not done. There were visible cracks on the floor, the key pointing with cement sand 1:4 vertically and horizontally for external wall were not done, the ceiling works not done and two flush doors of 6 mm thick internal quality plywood and two mahogany timber double door size of 900 x 2100 mm high were not fixed.

In the circumstances, value for money for the completion of construction of Dining Hall at a cost of Kshs.1,500,000 for Tapach Primary School could not be confirmed.

The audit was conducted in accordance with the 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 comply 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with the ISSAIs 2315 and 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 overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as the 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 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 comply with the authorities which govern them and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

27 May, 2024



**Pokot South Constituency  
National Government Constituencies Development Fund (NG-CDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

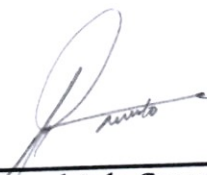
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	87,000,000	170,088,879
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,000,000</b>	<b>170,088,879</b>
<b>Payments</b>			
Compensation Of Employees	4	3,639,019	2,734,716
Committee expenses	5	5,385,000	4,050,000
Use Of Goods and Services	6	2,704,306	6,158,246
Transfers To Other Government Units	7	4,300,000	86,547,234
Other Grants and Transfers	8	41,462,000	76,873,366
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	598,000	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>58,088,325</b>	<b>176,363,562</b>
<b>Surplus/(Deficit)</b>		<b>28,911,675</b>	<b>(6,274,683)</b>

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

The Constituency financial statements were approved by the NGCDFC on 16<sup>th</sup> April, 2024 and signed by:

  
\_\_\_\_\_  
Fund Account Manager

Name: Festus Kipomet

  
\_\_\_\_\_  
National Sub-County  
Accountant

Name: Alex Muhando  
ICPAK M/No:

  
\_\_\_\_\_  
Chairman NG-CDF  
Committee

Name: Julius Siwareng

**Pokot South Constituency**  
**National Government Constituencies Development Fund (NG-CDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

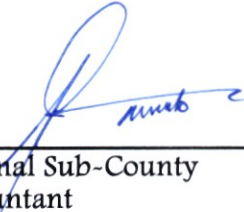
	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	38,353,946	9,442,271
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>38,353,946</b>	<b>9,442,271</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>38,353,946</b>	<b>9,442,271</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>38,353,946</b>	<b>9,442,271</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	9,442,271	15,716,954
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		28,911,675	(6,274,683)
<b>Net Financial Position</b>		<b>38,353,946</b>	<b>9,442,271</b>

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

The Constituency financial statements were approved by NG CDFC on **16<sup>th</sup> April, 2024** and signed by:

  
 Fund Account Manager

Name: Festus Kipomet

  
 National Sub-County Accountant

Name: Alex Muhando  
 ICPAK M/No:

  
 Chairman NG-CDF Committee

Name: Julius Siwareng



**Pokot South Constituency**  
**National Government Constituencies Development Fund (NG-CDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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


	Notes	2022-2023 Kshs	2021-2022 Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	87,000,000	170,088,879
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,000,000</b>	<b>170,088,879</b>
<b>Payments</b>			
Compensation Of Employees	4	3,639,019	2,734,716
Committee Expenses	5	5,385,000	4,050,000
Use Of Goods and Services	6	2,704,306	6,158,246
Transfers To Other Government Units	7	4,300,000	86,547,234
Other Grants and Transfers	8	41,462,000	76,873,366
Oversight Committee Expenses	10	598,000	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>58,088,325</b>	<b>176,363,562</b>
<b>Total Receipts Less Total Payments</b>		<b>28,911,675</b>	<b>(6,274,683)</b>
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>28,911,675</b>	<b>(6,274,683)</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>-</b>
Net Increase In Cash And Cash Equivalent		<b>28,911,675</b>	<b>(6,274,683)</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	12	<b>9,442,271</b>	<b>15,716,954</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>		<b>38,353,946</b>	<b>9,442,271</b>

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


The Constituency financial statements were approved by NG CDFC on 16<sup>th</sup> April, 2024 and signed by:

  
 \_\_\_\_\_  
 Fund Account Manager

Name: Festus Kipomet

  
 \_\_\_\_\_  
 National Sub-County  
 Accountant

Name: Alex Muhando  
 ICPAK M/No:

  
 \_\_\_\_\_  
 Chairman NG-CDF  
 Committee

Name: Julius Siwareng



**Pokot South Constituency**  
**National Government Constituencies Development Fund (NG-CDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2022-2023	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2022-2023	30/6/2023		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>							
Transfers From NGCDF Board	138,215,033	9,442,271	12,088,879	159,746,183	96,442,271	63,303,912	60.37%
Proceeds From Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	0.0%
<b>Totals</b>	<b>138,215,033</b>	<b>9,442,271</b>	<b>12,088,879</b>	<b>159,746,183</b>	<b>96,442,271</b>	<b>63,303,912</b>	<b>60.4%</b>
<b>Payments</b>							
Compensation Of Employees	3,904,486	1,041,141	-	4,945,627.00	3,639,019	1,306,608	73.6%
Committee Expenses	5,720,000	95,000	-	5,815,000	5,385,000	430,000	92.6%
Use Of Goods and Services	2,792,057	33,135	-	2,825,192.00	2,704,306	120,886	95.7%
Transfers To Other Government Units	60,962,300	8,200,000	-	69,162,300	4,300,000	64,862,300	6.2%
Other Grants and Transfers	51,536,190	72,995	12,088,879	63,698,064	41,462,000	22,236,064	65%
Acquisition of Assets	-	-	-	-	-	-	0.0%
Oversight Committee Expenses	1,100,000	-	-	1,100,000	598,000	502,000	54.4%
Other Payments(Strategic plan)	2,200,000	-	-	2,200,000	-	2,200,000	0.0%
Funds Pending Approval(NG-CDF office)	10,000,000	-	-	10,000,000	-	10,000,000	0.0%
<b>Totals</b>	<b>138,215,033</b>	<b>9,442,271</b>	<b>12,088,879</b>	<b>159,746,183</b>	<b>58,088,325</b>	<b>101,657,858</b>	<b>36.4%</b>

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

**Explanatory Notes.**

(a) In the year under review Pokot South Constituency did not manage to generate any AIA.

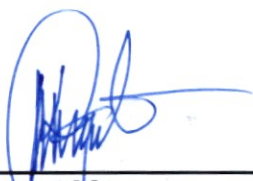
**Pokot South Constituency**  
**National Government Constituencies Development Fund (NG-CDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2023**

(b) (Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]  
 All underutilization below 90% is because the Board did disburse all the funds to the constituency as at close of the financial year  
 The changes between the original and final budget is as a result of the Balance brought forward of kshs 9,442,271 from the previous year  
 and Previous Years' Outstanding disbursements of kshs 12,088,879.

*(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.*

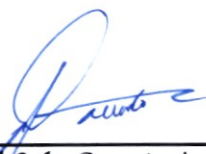
<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	101,657,858
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	63,303,912
	<b>38,353,946</b>
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	<b>38,353,946</b>

The Constituency financial statements were approved by NG CDFC on 16<sup>th</sup> April, 2024 and signed by:



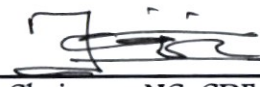
Fund Account Manager

Name: Festus Kipomet



National/Sub-County Accountant

Name: Alex Muhando  
 ICPAK M/No:



Chairman NG-CDF Committee

Name: Julius Siwareng



*Pokot South Constituency  
National Government Constituencies Development Fund (NG-CDF)  
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,904,486	1,041,141	-	4,945,627	3,639,019	1,306,608
1.2 Committee allowances	2,900,000	-	-	2,900,000	2,880,000	20,000
1.3 Use of goods and services	1,476,114	28,831	-	1,504,945	1,349,700	155,245
<b>Sub-total</b>	<b>8,280,600</b>	<b>1,069,972</b>	<b>-</b>	<b>9,350,572</b>	<b>7,868,719</b>	<b>1,481,853</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	690,000	-	-	690,000	688,400	1,600
2.2 Committee allowances	2,660,000	95,000.00	-	2,755,000	2,505,000	250,000
2.3 Use of goods and services	785,943	4,178.00	-	790,121	666,206	123,915
<b>Sub-total</b>	<b>4,135,943</b>	<b>99,178</b>	<b>-</b>	<b>4,235,121</b>	<b>3,859,606</b>	<b>375,515</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	2,500,000	1,011,121.00	88,879	3,600,000	3,600,000	-
3.2 Secondary schools	1,600,000	-	-	1,600,000	1,600,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilized	3,536,190	-	-	3,536,190	-	3,536,190
<b>Sub-total</b>	<b>7,636,190</b>	<b>1,011,121</b>	<b>88,879</b>	<b>8,736,190</b>	<b>5,200,000</b>	<b>3,536,190</b>
<b>4.0 Bursary and Social Security</b>						

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National Government Constituencies Development Fund (NG-CDF)  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.1 Primary Schools	26,826,900	2,245,100.00		29,072,000	29,072,000	-
4.2 Secondary Schools	7,173,100	16,900.00		7,190,000	7,190,000	-
4.3 Tertiary Institutions	-	-	-	-	-	-
4.4 Universities	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-
<b>Sub-total</b>	<b>34,000,000</b>	<b>2,262,000</b>	<b>-</b>	<b>36,262,000</b>	<b>36,262,000</b>	<b>-</b>
<b>5.0 Sports</b>						
5.1	1,200,000	-	-	1,200,000	-	1,200,000
<b>Sub-total</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>1,200,000</b>	<b>-</b>	<b>1,200,000</b>
<b>6.0 Environment</b>						
Kapsokero Primary School			300,000	300,000		300,000
Kachemogen Primary School			400,000	400,000		400,000
Kaplelach Primary School			500,000	500,000		500,000
Telo Primary School			370,000	370,000		370,000
Tirken Primary School	500,000			500,000		500,000
Kapchikar Primary School	500,000			500,000		500,000
Kabichbich Education Office	500,000			500,000		500,000
Kapushen Primary School	150,000			150,000		150,000
Chepareria Division Office	400,000			400,000		400,000
<b>Sub-total</b>	<b>2,050,000</b>	<b>-</b>	<b>1,570,000</b>	<b>3,620,000</b>	<b>-</b>	<b>3,620,000</b>
<b>7.0 Primary Schools Projects</b>						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Rekeret Primary School			800,000	800,000		800,000
Marsitot Primary School			500,000	500,000		500,000
Kakalas Primary School			500,000	500,000		500,000
Sinaya Primary School		400,000		400,000	400,000	-
Tachit Primary School			650,000	650,000		650,000
Psukuno Primary School			650,000	650,000		650,000
Parayon Primary School		700,000		700,000		700,000
Kapkanyar Primary School		800,000		800,000	800,000	-
Manian Primary School			400,000	400,000		400,000
Tapach Primary School		1,500,000		1,500,000	1,500,000	-
Nyarkulian Primary School		800,000		800,000	800,000	-
Sondany Primary School			530,000	530,000		530,000
Kadough Primary School			700,000	700,000		700,000
Chepropogh Primary School			900,000	900,000		900,000
Tomnyer Primary School		800,000		800,000	800,000	-
Kisai Primary School			600,000	600,000		600,000
Mbayai Central Primary School			1,000,000	1,000,000		1,000,000
Kondopilet Primary School	3,000,000			3,000,000		3,000,000
Ngerel Primary School	3,000,000			3,000,000		3,000,000
Cheptya Primary School	3,000,000			3,000,000		3,000,000
Trik Primary School	3,000,000			3,000,000		3,000,000



**Pokot South Constituency**  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Emboghat Daystar Primary School	3,000,000			3,000,000		3,000,000
Kapkepot Primary School	500,000			500,000		500,000
Kapara Primary School	1,000,000			1,000,000		1,000,000
Ywalateke Primary School	2,000,000			2,000,000		2,000,000
Chelombai Primary School	1,000,000			1,000,000		1,000,000
Kanyikeny Primary School	1,000,000			1,000,000		1,000,000
Kipat Primary School	1,000,000			1,000,000		1,000,000
Chesoyow Primary School	1,000,000			1,000,000		1,000,000
Tukumo Primary School	1,000,000			1,000,000		1,000,000
Lain Primary School	1,000,000			1,000,000		1,000,000
Tororo Primary School	1,000,000			1,000,000		1,000,000
Sondany Primary School	2,000,000			2,000,000		2,000,000
Tarak Primary School	1,000,000			1,000,000		1,000,000
Sopowen Primary School	1,000,000			1,000,000		1,000,000
Nyarkulian Primary School	600,000			600,000		600,000
Msiywon Primary School	2,000,000			2,000,000		2,000,000
Koplonga Primary School	1,000,000			1,000,000		1,000,000
Takar Daystar Primary School	1,000,000			1,000,000		1,000,000
Kontarit Primary School	800,000			800,000		800,000
Kosulol Primary School	500,000			500,000		500,000
Chemarmar Primary School	800,000			800,000		800,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Simotwo Primary School	500,000			500,000		500,000
<b>Total</b>	<b>36,700,000</b>	<b>5,000,000</b>	<b>7,230,000</b>	<b>48,930,000</b>	<b>4,300,000</b>	<b>44,630,000</b>
<b>8.0 Secondary Schools Projects</b>						
Christ the King Mixed Secondary School - Senetwo			700,000	700,000		700,000
Shalpogh Mixed Secondary School			800,000	800,000		800,000
St. Luke Ptop Secondary School			800,000	800,000		800,000
Kochiy Mixed Day Secondary School			900,000	900,000		900,000
St. Michael Seretow Secondary School	1,000,000			1,000,000		1,000,000
St. Joseph Samich Mixed Secondary School	2,000,000			2,000,000		2,000,000
Koporoch Girls Secondary School	2,000,000			2,000,000		2,000,000
St. Anthony Chepturunguny Secondary School	1,000,000			1,000,000		1,000,000
St. Joseph Cheptiangwa Secondary School	1,000,000			1,000,000		1,000,000
St. Augustine Chemaltin Secondary School	1,000,000			1,000,000		1,000,000
St. Maurice Ringring Secondary School	1,000,000			1,000,000		1,000,000
Muruny Secondary School	1,000,000			1,000,000		1,000,000
Chongis Mixed Secondary School	1,500,000			1,500,000		1,500,000
Nyarpat Mixed Secondary School	1,000,000			1,000,000		1,000,000
E.L.C.K Chepkalit Secondary School	9,762,300			9,762,300		9,762,300
Chepukat Secondary School	2,000,000			2,000,000		2,000,000
<b>Sub-total</b>	<b>24,262,300</b>	<b>-</b>	<b>3,200,000</b>	<b>27,462,300</b>	<b>-</b>	<b>27,462,300</b>

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>						
9.1						
<b>Sub-total</b>						
<b>10.0 Security Projects</b>						
Kaptabuk Location Chief's Office	800,000			800,000	-	800,000
Tapach Division Assistant County Commissioner's Office	2,500,000			2,500,000	-	2,500,000
Batei Division Assistant County Commissioner's Office	2,500,000			2,500,000	-	2,500,000
Kipkomo Sub -County Deputy County Commissioner Office	850,000			850,000	-	850,000
<b>Sub-Total</b>	<b>6,650,000</b>	-	-	<b>6,650,000</b>	-	<b>6,650,000</b>
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
<b>Sub-total</b>						
<b>12.0 Oversight Committee Expenses (itemize )</b>						
12.1 Committee allowance	850,000		-	850,000	418,000	432,000
12.2 Use of goods and services	250,000		-	250,000	180,000	70,000

**Pokot South Constituency**  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
				-		-
<b>Sub-Total</b>	1,100,000		-	1,100,000	598,000	502,000
<b>13.0 Others</b>						
Strategic Plan	2,200,000	-	-	2,200,000	-	2,200,000
<b>Sub-Total</b>	2,200,000	-	-	2,200,000	-	2,200,000
13.2 Innovation Hub						
13.2						
<b>Sub-total</b>						
14.0 unallocated fund						
Unapproved projects (Pokot South NG-CDF Office)	10,000,000			10,000,000		10,000,000
AIA						-
PMC savings						
<b>Sub-Total</b>	10,000,000		-	10,000,000	-	10,000,000
<b>Total</b>	<b>138,215,033</b>	<b>9,442,271</b>	<b>12,088,879</b>	<b>159,746,183</b>	<b>58,088,325</b>	<b>101,657,858</b>

(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)

#### **XIV. Significant Accounting Policies**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

***Significant Accounting Policies continued***

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs***

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

**External Assistance**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

***Significant Accounting Policies continued***

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

**6. Cash and Cash Equivalent.**

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

**7. Accounts Receivable**

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

*Significant Accounting Policies continued*

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30<sup>th</sup> June 2022 for the period 1<sup>st</sup> July 2022 to 30<sup>th</sup> 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.



*Significant Accounting Policies continued*

**12. Comparative Figures**

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

**13. Subsequent Events**

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

**Pokot South Constituency**  
**National Government Constituencies Development Fund (NG-CDF)**  
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**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

<b>Description</b>	<b>2022-2023</b>	<b>2021-2022</b>
<b>NGCDF Board</b>	<b>Kshs</b>	<b>Kshs</b>
AIE NO. B105264		33,000,000
AIE NO. B105547		44,000,000
AIE NO. B105911		22,000,000
AIE NO. B128676		5,000,000
AIE NO. B128987		12,000,000
AIE NO. B154183		12,000,000
AIE NO. B154408		18,000,000
AIE NO. B155519		24,088,879
AIE NO. B185228	7,000,000	
AIE NO. B185760	21,000,000	
AIE NO. B206080	5,000,000	
AIE NO. B205577	12,000,000	
AIE NO. B205872	12,000,000	
AIE NO. B207634	15,000,000	
AIE NO. B207994	15,000,000	
<b>TOTAL</b>	<b>87,000,000</b>	<b>170,088,879</b>

**2. Proceeds From Sale of Assets**

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

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National Government Constituencies Development Fund (NG-CDF)  
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***Notes To the Financial Statements (Continued)***

**3. Other Receipts**

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

**4. Compensation Of Employees**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,513,404	2,238,000
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,010,943.00	353,916
Employer Contributions Compulsory national social security schemes	114,672.00	142,800
<b>Total</b>	<b>3,639,019.00</b>	<b>2,734,716</b>

**5. Committee Expenses**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	2,880,000	1,085,000
Other committee expenses	2,505,000	2,965,000
<b>Total</b>	<b>5,385,000</b>	<b>4,050,000</b>

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***Pokot South Constituency  
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***Notes To the Financial Statements (Continued)***

**6. Use of Goods and services**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	-	475,000
Communication, supplies and services	-	32,650
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	688,400	2,000,000
Hospitality supplies and services	-	101,090
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,349,700	581,430
Fuel , oil & lubricants	666,206	1,035,226
Other operating expenses	-	1,277,970
Bank Charges	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	654,880
Routine maintenance- other assets	-	-
<b>Total</b>	<b>2,704,306</b>	<b>6,158,246</b>

**7. Transfer To Other Government Units**

<b>Description</b>	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Transfers To Primary Schools (See Attached List)	4,300,000	10,700,000
Transfers To Secondary Schools (See Attached List)	-	74,847,234
Transfers To Tertiary Institutions (See Attached List)	-	1,000,000
<b>Total</b>	<b>4,300,000</b>	<b>86,547,234</b>

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**Notes To The Financial Statements (Continued)**

**8. Other Grants and Other transfers**

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools (see attached list)	29,072,000	40,621,400
Bursary – tertiary institutions (see attached list)	7,190,000	17,463,100
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	-	5,288,866
Sports projects (see attached list)	-	1,900,000
Environment projects (see attached list)	-	2,100,000
Emergency projects (see attached list)	5,200,000	9,500,000
Roads projects (see attached list)	-	-
<b>Total</b>	<b>41,462,000</b>	<b>76,873,366</b>

**9. Acquisition Of Assets**

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

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10. Oversight Committee Expenses

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
COC Members allowance	498,000	-
Other COC expenses	100,000	-
	<b>598,000</b>	<b>-</b>

11. Other Payments

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

12. Cash Book Bank Balance

<b>Name Of Bank, Account No. &amp; Currency</b>	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Equity Bank, A/C no. 1070261730873, Kapenguria Branch		
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Name Of Bank, Account No. (Main account)</i>	<b>38,353,946</b>	<b>9,442,271</b>
<i>Name of Bank, account No. (Deposits account)</i>	-	-
<b>Total</b>	<b>38,353,946</b>	<b>9,442,271</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**13. Outstanding Imprests**

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

**14. Retention and Gratuity**

<b>14 A. Retention</b>	<i>2022-2023</i>	<i>2021-2022</i>
	<b>KShs</b>	<b>KShs</b>
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

<b>14 B. Gratuity</b>	<i>2022-2023</i>	<i>2021-2022</i>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	208,239	-
Gratuity held during the year (B)	802,704	-
Gratuity paid during the Year (C)	1,010,943	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-



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**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2022)	(1 <sup>st</sup> July 2021)
	Kshs	Kshs
Bank accounts	9,442,271	15,716,954
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>9,442,271</b>	<b>15,716,954</b>
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
<b>Fund Balance Brought Forward</b>	<b>9,442,271</b>	<b>15,716,954</b>

**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> )	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*\* The adjusted balances are not carried down on the face of the financial statement.

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

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

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

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>KShs</b>	<b>KShs</b>
Deposit and Retentions as at 1 <sup>st</sup> 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)*

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**19. Other Important Disclosures  
19.1: Pending Accounts Payable (See Annex 1)**

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

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

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
NGCDFC Staff	802,704	1,010,941
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>802,704</b>	<b>1,010,941</b>

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

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
Compensation of employees	1,306,608	1,010,941
Committee expense	270,000	-
Use of goods and services	280,760	123,831
Amounts due to other Government entities (see attached list)	72,092,300	15,430,000
Amounts due to other grants and other transfers (see attached list)	15,006,190	4,966,378
Acquisition of assets	-	-
Oversight Committee Expenses	502,000	-
Other Payments (Strategic Plan)	2,200,000	-
Funds pending approval	10,000,000	-
<b>Total</b>	<b>101,657,858</b>	<b>21,531,150</b>

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18.4: PMC account balances (See Annex 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	236,965	20,434,523
Total	<b>236,965</b>	<b>20,434,523</b>

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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**Annex 2 - Analysis of Pending Staff Payables**

<b>Name of Staff</b>	<b>Designation</b>	<b>Date employed</b>	<b>Outstanding Balance 30<sup>th</sup> June 2023</b>	<b>Comments</b>
<b>NG-CDFC Staff</b>				
1. Joyce Chemosop Tapogh	Secretary	1.3.2018	104,160	
2. Mnangat Haron Payeni	ICT Officer	1.11.2022	91,440	
3. Chepkermoi Pkerket Simon	Messenger	1.3.2018	50,592	
4. Leonard Kipor Rialem	Driver	1.3.2018	85,560	
5. William Korkou Masian	Driver	1.3.2018	81,840	
6. Philip Kapoyon Riwatakoru	Chepareria Ward Clerk	1.3.2018	50,592	
7. Felix Ruto Limarusi	Batei ward clerk	1.3.2018	85,560	
8. Japheth Chamer	Lelan ward clerk	1.8.2018	50,592	
9. Daniel Kelan	Tapach ward clerk	1.11.2018	50,592	
10. Moses Limatukei Lemukoi	Assistant ward clerk	1.8.2018	50,592	
11. Andrew Ritenguru Rumoreng	Watchman	1.3.2018	50,592	
12. Akutet Samwel	Watchman	1.3.2018	50,592	
<b>Sub-Total</b>			<b>802,704</b>	
<b>Grand Total</b>				

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 30 <sup>th</sup> June 2023	Outstanding Balance 30 <sup>th</sup> June 2023	Comments
Compensation of employees		1,306,608	1,010,941	
Use of goods & services		550,760	123,831	
Amounts due to other Government entities			15,430,000	
<b>Primary Schools</b>				
Rekeret Primary School	Construction of one Classroom	800,000		
Marsitot Primary School	Renovation of 3 Classrooms	500,000		
Kakalas Primary School	Renovation of 3 Classrooms	500,000		
Tachit Primary School	Construction of one Classroom	650,000		
Psukuno Primary School	Construction of one Classroom	650,000		
Parayon Primary School	Renovation of 4 Classrooms	700,000		
Manian Primary School	Renovation of 3 Classrooms	400,000		
Kadough Primary School	Construction of one Classroom	700,000		
Chepropogh Primary School	Construction of one Classroom	900,000		
Kisai Primary School	Renovation of 3 Classrooms	600,000		
Mbayai Central Primary School	Construction of two Classrooms	1,000,000		
Kondopilet Primary School	Construction of two Classrooms	3,000,000		
Ngerel Primary School	Construction of three Classrooms	3,000,000		
Cheptya Primary School	Renovation of 8 Classrooms	3,000,000		
Trik Primary School	Construction of two Classrooms	3,000,000		
Emboghat Daystar Primary School	Construction of Admin block	3,000,000		
Kapkepot Primary School	Renovation of Admin block	500,000		
Kapara Primary School	Construction of one Classroom	1,000,000		
Ywalateke Primary School	Renovation of 8 Classrooms	2,000,000		
Chelombai Primary School	Construction of one Classroom	1,000,000		
Kanyikeny Primary School	Construction of one Classroom	1,000,000		
Kipat Primary School	Construction of one Classroom	1,000,000		
Chesoyow Primary School	Construction of one Classroom	1,000,000		

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 30<sup>th</sup> June 2023</b>	<b>Outstanding Balance 30<sup>th</sup> June 2023</b>	<b>Comments</b>
E.L.C.K Chepkalit Secondary School	Purchase of 51 Seater school bus	9,762,300		
Chepukat Secondary School	Construction of two Classrooms	2,000,000		
<b>Sub-Total</b>		<b>72,092,300</b>		
Amounts due to other grants and other transfers			<b>4,966,378</b>	
Emergency		3,536,190		
Sports Activities		1,200,000		
Security		6,650,000		
Environment		3,620,000		
<b>Sub-Total</b>		<b>15,006,190</b>		
Acquisition of assets		-	-	
Oversight Committee Expenses (itemize )				
Committee allowance		432,000		
Use of goods and services		70,000		
<b>Sub-Total</b>		<b>502,000</b>		
Others ( <i>Strategic Plan</i> )				
<i>Strategic Plan</i>		2,200,000		
<b>Sub-Total</b>		<b>2,200,000</b>		
Funds pending approval(NG-CDFC office)	Construction of NG-CDFC office	10,000,000		
<b>Grand Total</b>		<b>101,657,858</b>	<b>21,531,150</b>	



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Name	Brief Transaction Description	Outstanding Balance 30 <sup>th</sup> June 2023	Outstanding Balance 30 <sup>th</sup> June 2023	Comments
Tukumo Primary School	Construction of one Classroom	1,000,000		
Lain Primary School	Construction of one Classroom	1,000,000		
Tororo Primary School	Renovation of 6 Classrooms	1,000,000		
Sondany Primary School	Renovation of 8 Classrooms and Admin	2,530,000		
Tarak Primary School	Construction of one Classroom	1,000,000		
Sopowen Primary School	Renovation of 6 Classrooms	1,000,000		
Nyarkulian Primary School	Renovation of 4 Classrooms	600,000		
Msiywon Primary School	Renovation of 8 Classrooms	2,000,000		
Kopolonga Primary School	Construction of one Classroom	1,000,000		
Takar Daystar Primary School	Construction of one Classroom	1,000,000		
Kontarit Primary School	Construction of one Classroom	800,000		
Kosulol Primary School	Renovation of 4 Classrooms	500,000		
Chemarmar Primary School	Construction of one Classroom	800,000		
Simotwo Primary School	Renovation of 4 Classrooms	500,000		
<b>Secondary Schools</b>				
Christ the King Mixed Secondary School - Senetwo	Construction of one Classroom	700,000		
Shalpogh Mixed Secondary School	Construction of one Classroom	800,000		
St. Luke Ptop Secondary School	Construction of one Classroom	800,000		
Kochiy Mixed Day Secondary School	Construction of one Classroom	900,000		
St. Michael Seretow Secondary School	Construction of one Classroom	1,000,000		
St. Joseph Samich Mixed Secondary School	Construction of two Classrooms	2,000,000		
Koporoeh Girls Secondary School	Construction of two Classrooms	2,000,000		
St. Anthony Chepturungu Secondary School	Construction of one Classroom	1,000,000		
St. Joseph Cheptiangwa Secondary School	Construction of one Classroom	1,000,000		
St. Augustine Chemaitin Secondary School	Construction of one Classroom	1,000,000		
St. Maurice Kingiring Secondary School	Construction of one Classroom	1,000,000		
Murony Secondary School	Construction of one Classroom	1,000,000		
Chongis Mixed Secondary School	Construction of one Classroom	1,500,000		
Nyarpat Mixed Secondary School	Construction of one Classroom	1,000,000		

**Annex 4 – Summary of Fixed Asset Register**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 2021-2022</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End 2022-2023</b>
Land				
Buildings and structures				
Transport equipment	6,158,843			6,158,843
Office equipment, furniture and fittings	119,400			119,400
ICT Equipment, Software and Other ICT Assets	84,000			84,000
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>6,362,243</b>			<b>6,362,243</b>

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Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023***

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2022-2023</b>	<b>Bank Balance 2021-2022</b>
Kapkanyar Primary School	Equity	1070280161001	236,965	
Mbayai Central Primary School	Equity	1070172175173		701,540.00
Chemoril Mixed Secondary School	Equity	1070282043643		514,665.00
St. Mathias Mulumba Mixed Day Sec School	Equity	1070280985598		6,762,380.00
Parua Mixed Day & Boarding Sec School	Equity	1070280981751		6,742,400.00
St. Paul Lomuke Secondary School	Equity	1070276385279		1,157,680.00
St. Mathias Mulumba Mixed Day Sec School	Equity	1070280784155		1,257,067.00
Pokot South constituency sports	Equity	1070163361341		960,035.00
St. Joseph Kaalotwari Secondary School	Equity	1070267347108		100,370.00
Parua location Chief's office	Equity	1070282096724		2,238,386.00
<b>TOTAL</b>			<b>236,965</b>	<b>20,434,523</b>

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
FY 2021/2022	<p><b>Projects management committee bank balances</b></p> <p><b>Observation</b> Annex 5 to the financial statements reflects twenty-one (21) projects management committee bank accounts with a total balance of Kshs.20,434,523 as at 30 June, 2022. However, the Cash books, Bank reconciliation statements, certificate of bank balances and bank statements for the respective bank accounts were not availed for audit review. Further, during the year, development funds amounting to Kshs.110,936,100 were disbursed to sixty two (62) projects an indication of non-disclosure of at least forty one (41) project management committee bank balances as at 30 June 2022. In the circumstances, the accuracy and completeness of the PMC bank account balances totaling to Kshs.20,434,523 could not be confirmed.</p>	<p>We confirm that as at 30<sup>th</sup> June 2022 the total PMC Bank balances is kshs 20,434,523 as in the bank statements</p> <p>However the Project management committee has no knowledge of preparing cash books and bank reconciliations statements, thus they only provide Projects returns which were availed during audit</p> <p>The 41 projects were complete as at 30<sup>th</sup> June 2022 and the respective accounts has no balances</p>	Not Resolved	31/12/2024

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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)
FY 2021/2022	<p><b>Transfers to Other Government Entities</b>  <b>Mbayai Central Primary School.</b>  <b>Observation</b>                      Included in transfers to primary schools amount of Kshs.10,700,000 is Kshs.1,500,000 paid Mbayai Central Primary School vide cheque no 7954 was for the construction of two classrooms to completion. However, project contract, expenditure returns, reports detailing particulars of: project proposals, project funding, approved drawings and structural designs, signed contractual inspection and acceptance reports and CDFC monitoring and evaluation reports were not availed for audit review.</p>	<p>It's true that included in transfers to primary schools amount of Kshs.10,700,000 is Kshs.1,500,000 paid to Mbayai Central Primary Schools vide cheque number 7954 was incurred on the construction of two classrooms. The total amount approved by the NG-CDF Board for the construction of the 2 classrooms to completion is kshs 2,500,00 and as per the Bill of Quantities. The delay in completing the 2 classrooms is occasioned by the delayed disbursement of funds from the NG-CDF Board. Up to now the board still owes the constituency kshs 12,088,879. The project will be completed immediately the board disburse the balances to the constituency account</p>	Not Resolved	
FY 2021/2022	<p><b>Lomuke Secondary School.</b>  <b>Observation</b>                      Included in transfers to secondary schools amount of Kshs.74,847,234 is Kshs.4,955,567 paid to St. Paul Lomuke Secondary School vide cheque no 7965, chq no 6697 and cheque no 7049 for the construction</p>	<p>It's true that the copy of tender advertisement notice, opening tender committee minutes and attendance register, tender evaluation and awarding committee minutes and attendance register, the awarding criteria, CDFC</p>	Not Resolved	

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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)
	of administration block . However, tender advertisement notice, opening tender committee minutes and attendance register, tender evaluation and awarding committee minutes and attendance register, the awarding criteria, CDFC monitoring and evaluation reports and works completion certificates were not availed for audit review.	monitoring and evaluation reports and works completion certificates were not availed for audit review. The project was funded in 2 financial years ie 2020/2021 and 2021/2022, and the missing documents were on the previous year file, which is now available for review. However, as per the threshold matrix for 2020, the mount is within limit of request for quotations		

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Name: Festus Kipomet  
Fund Account Manager.

