




Enhancing Accountability




THE NATIONAL ASSEMBLY
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TABLED BY:	HON. DWEN BATA, MP BERTH, LEADER OF THE MAJORITY PARTY
CLERK-AT THE-TABLE:	KESTER NGINTO

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – KIPKELION EAST
CONSTITUENCY**

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



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KIPKELION EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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***Kipkelion East Constituency
National Government Constituencies Development Fund (NGCDF)
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1. Acronyms and Glossary of terms

DA	District Accountant
CDF	Constituency Development Fund
IPSAS	International Public Sector Accounting Standards.
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
PFM	Public Finance Management
FY	Financial Year

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Kipkelion East Constituency NGCDF day-to-day management is under the following key organs:

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

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Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mwibiri Francis
2.	Sub-County Accountant	CPA Phelimon Mbeche
3.	Chairman NGCDFC	Josphat Keter
4.	Member NGCDFC	Chepkemoi Marina

(c) Fiduciary Oversight Arrangements

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

(d) Kipkelion East Constituency NGCDF Headquarters

P.O. Box 188-20203
Londiani
Engineers.
LONDIANI, KENYA

(e) Kipkelion East Constituency NGCDF Contacts

Telephone: (254) 704480200
E-mail: cdkkipkelioneast@ngcdf.go.ke
Website: www.ngcdf.go.ke

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(f) Kipkelion East Constituency NGCDF Bankers

Kenya Commercial Bank

Londiani Branch

A/C no.1147413487

(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

3. NG-CDFC Chairman's Report



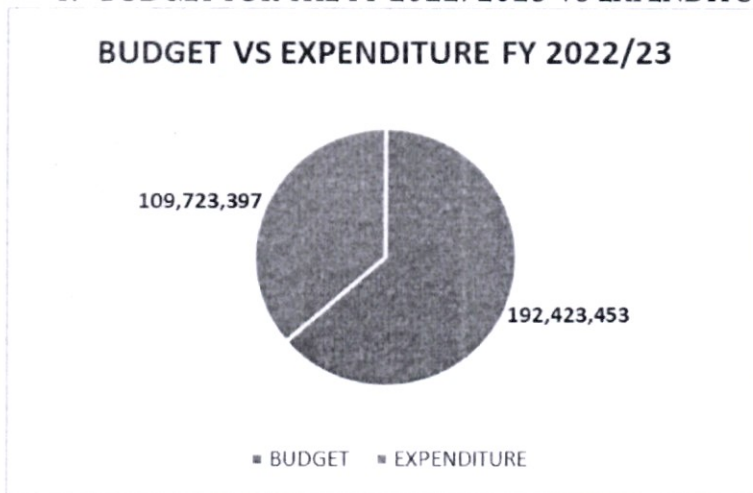
NGCDFC CHAIR-JOSPHAT KETER

FUNDS DISBURSEMENTS:

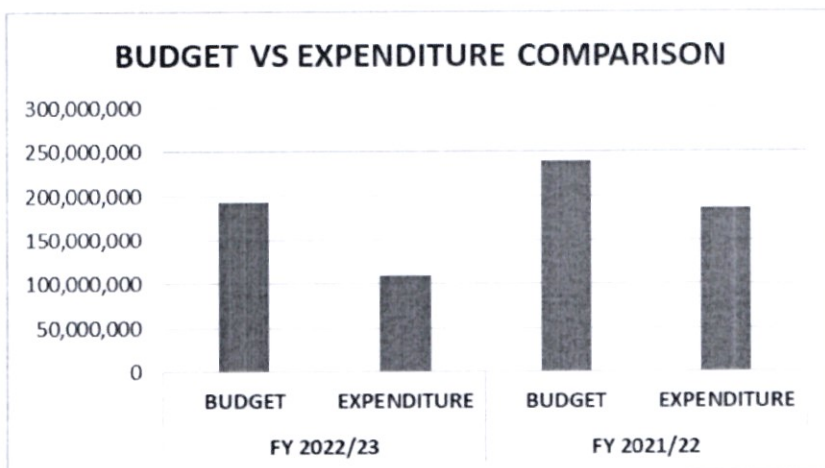
Kipkelion East NG-CDF has in the last financial year disbursed Kshs 109,723,397 out of a total allocation of Kshs 138,215,033 plus unspent balance from the FY 2021/22 of Kshs 42,119,541, and undisbursed Kshs 12,088,879 from the Board making a total budget of Kshs 192,423,453. This shows improved absorption of funds despite disruptions Electioneering period.

GRAPHICALLY

1. BUDGET FOR THE FY 2022/2023 VS EXPENDITURE



2. COMPARISON BETWEEN FY 2022/2023 & FY 2021/22



Key Achievements:

The greatest achievements are in project implementation which included improvement of learning structures in schools by construction of classrooms and administration blocks.

The management also constructed several classes during the financial year to create conducive environment for learning:

Sample of the classrooms constructed:

- Kimasian TVC- construction of 4 classrooms



1. Londiani Township Secondary school- Construction of 700 capacity dining hall



Emerging issues:

Emerging issues include:

1. High demand for bursary due to high poverty index.
2. High cost of building materials due making the cost of building a classrooms higher and hence less number are allocated funds in the Financial Year

Challenges:

1. Some schools are inaccessible due to poor road networks

Recommendations

The NG-CDF Board to disburse projects on timely basis for the constituencies to implement projects within the stipulated financial year.

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**Name: Josphat Keter
CHAIRMAN NGCDF COMMITTEE**

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4. Statement Of Performance Against Predetermined Objectives for FY2022/2023

Introduction

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

The key development objectives of *Kipkelion East Constituency 2022-2025* plan are to:

- To mobilize more resources for community development.
- To improve safe water supply.
- To improve the health standards of the constituency.
- To improve infrastructure, especially schools and roads within the constituency.
- To build capacity of the community to implement development projects.
- Empower and training of youth

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 2022/23 -we have purchased 5 buses in secondary schools, built more 20 toilets and 10 water tanks both primary and secondary schools from emergency reserve, and disburse funds for renovations of classrooms for 8 signature projects
Security	To have conducive working environment for security agencies	Increased construction of chief's office	Improved security in the area	In FY 2022/23 we purchase office furniture for one chiefs office, constructed 1 chiefs office and disbursed funds for construction of 1 chiefs office line, 2 modern abolition

Kipkelion East Constituency

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Constituency Program	Objective	Outcome	Indicator	Performance
				blocks for DCCs office and AP line
Environment	To improve environment by carrying out environmental activities	Increased planting of trees both indigenous and fruit trees	Improved environment	In the FY 2022/23, we did not implement environmental projects
Sports	To empower youth through sports activities	Increased sports activities through Kipkelion East tournament	Improved youth empowerment	In the year 2022/23, management did a major tournament involving 11 ward teams by purchasing sports gear, trophies and facilitations of wards teams
Disaster Management	To mitigate disasters through disaster management	Increased capacity building on disaster management	Improved awareness	Management has carried out PMC & CDFC capacity building to improve in the management of NG-CDF funds

5. Governance Statement

Governance is the process of making and enforcing decisions within an organization or society. It's the process of interactions through the laws, social norms, power or language as structured in communication of an organized society over a social system.

The NG-CDFC North Mugirango constituency has strived to achieve good governance in the management of the funds allocated to it through the following;

- 1) Process of appointment and removal of a member-the appointment of NG-CDFC member is done competitively through advertisement for the positions to the people of the constituency. A selection panel consisting of competent persons is constituted for vetting of the applicants in terms of education, integrity and leadership qualities
- 2) A member of NG-CDFC can be removed from the office on cross misconduct but a member is given an opportunity to be heard
- 3) The roles of the committee include the following;
 - i. Build the capacity of project management committees
 - ii. Consider all projects proposals from all wards in the constituency and any other projects which a constituency considers beneficial to the constituency
 - iii. Ensure that all proposed projects that are approved for funding meeting the requirements of section 24 of the Act
 - iv. Ensure that project proposals submitted to the board include detailed budget proposals, procurement plans and work plans
 - v. In approving a project and before submitting the project to the board for consideration, satisfy itself and make a declaration to the effect that such project [works and services] fall within the functions of the national Government under the Constitution.
 - vi. Consult with relevant departments to ensure that cost estimates for projects are realistic
 - vii. In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects
 - viii. Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation before respective constituencies approve such a project for joint funding
 - ix. Rank projects proposals in order of priority while ensuring that ongoing projects take precedence
 - x. Ensure that all projects receive adequate funding and are completed within 3 years
 - xi. Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies.

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- xii. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board.
- 4) Induction and training of members-The NG-CDFC has been fully inducted and trained on its mandate and roles in executing their functions and roles.
 - 5) Number of meetings held in the financial year 2022-2023-NG-CDF Act dictates that the committee members can hold a minimum of 6 meetings and a maximum of 24 meetings in a year, sub-committee meetings inclusive. On discharging its mandate NG-CDFC North Mugirango held a total of 20 meetings signifying a total commitment to attaining its performance target where the chairman is paid Kshs 7,000 and the members are paid Kshs 5,000 as sitting allowances.
 - 6) Disclosure policy on conflicts of interests- in every meeting all committee members are expected to declare their interest in all matter related to the agendas of the day.
 - 7) The NG-CDFC members are remunerated according to the rates provided by the board
 - 8) Ethics and conduct of members-all members are expected to be ethical and have good conduct in the management of the fund. All members signed public officers code of ethics to deter them from engaging in unethical matters
 - 9) The management is committed in risk management by at all times responding to risk analysis

6. Environmental and Sustainability Reporting

Include an Introductory paragraph on the main mandate of the organization and its strategy on sustainability. Sustainability being the ability to maintain or continue offering services to the citizens of the country over the long- term.

1. Sustainability strategy and profile -

To ensure sustainability of Kipkelion East NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

2. Environmental performance

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

3. Employee welfare

We invest in providing the best working environment for our employees. Kipkelion East Constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kipkelion East Constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

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

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

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

NGCDF Kipkelion East has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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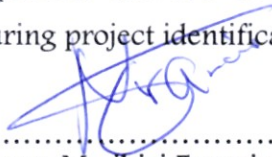
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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


.....
Name: Mwibiri Francis
Fund Account Manager.



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

The Accounting Officer in charge of the NGCDF-Kipkelion East Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *Kipkelion East* 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- Kipkelion East Constituency further confirms the completeness of the accounting records maintained for the *Kipkelion East* 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 Kipkelion East Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted

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for. Further the Accounting Officer confirms that the *Kipkelion East* 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- Kipkelion East Constituency financial statements were approved and signed by the Accounting Officer on 30/9/ 2023.



.....
Name: Josphat Keter
Chairman – NGCDF Committee



.....
Name: Mwibiri Francis
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 - KIPKELION EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kipkelion East Constituency set out on pages 1 to 39, which comprise of the statement of assets and liabilities as at 30 June, 2023 and

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

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

Basis for Qualified Opinion

1. Unexplained Variance in Acquisition of Assets

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects an amount of Kshs.364,240 in respect of acquisition of assets. However, review of the supporting schedule provided for audit revealed a total expenditure of Kshs.1,842,293 resulting to an unexplained variance of Kshs.1,478,053.

In the circumstances, accuracy and completeness of the acquisition of assets amount of Kshs.364,240 could not be confirmed.

2. Unsupported Gratuity for Contractual Employees

Note 12.1 to the financial statements reflects an amount of Kshs.1,104,319 in respect of pending staff payables (staff gratuity balance). However, detailed supporting schedule for the balance was not provided for audit.

In the circumstances, the accuracy and completeness of the pending staff payables balance of Kshs.1,104,319 could not be confirmed.

3. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.58,831,299 and as disclosed in Note 7 to the financial statements which includes bursary payments amounting to Kshs.27,770,154, Kshs.14,590,099 and Kshs.328,790 disbursed to secondary schools, tertiary institutions and special schools respectively. However, no acknowledgement letters from beneficiary institutions were provided for audit.

In the circumstances, the accuracy and completeness of bursary disbursements totalling Kshs.42,689,043 could not be confirmed.

4. Unsupported Project Management Committee Balances

Note 12.3 and Annex 3 to the financial statements reflects Project Management Committee (PMC) bank balance totalling Kshs.3,863,712. However, the cashbooks, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit. Further, Management did not return to the Fund the unspent balance of Kshs.3,863,712.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.3,863,712 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kipkelion East Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs.192,428,453 and Kshs.129,119,540 respectively, resulting to an under-funding of Kshs.63,308,913 or 33% of the budget. However, the Fund spent an amount of Kshs.109,723,396 against actual receipts of Kshs.129,119,540 resulting to an under-utilization of Kshs.19,396,144 or 15% of the actual receipts.

The underfunding and under-utilization affected the planned activities impacting negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Although the Management indicated that the prior year audit issues were resolved, no evidence was provided to support how the issues were resolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregularities in the Construction of Office Block

Review of procurement records revealed that the Fund entered into a contract for construction of Constituency office block at a contract sum of Kshs.35,600,900 in the prior years. However, supporting documents such as contract agreement, Bills of Quantities, newspaper advertisements, Contractor's National Construction Authority (NCA) practicing certificates, Committee's project site minutes, interim payments certificates and performance bond were not provided for audit and the total cost of the project to date could not be confirmed. Further, supporting documents including the interim payment certificate and bank statements in respect of the retention monies withheld on the project were not provided for audit.

In addition, tender opening and evaluation minutes provided for audit revealed that seventeen (17) bidders submitted their bid documents. However, only seven (7) bidders were evaluated resulting to ten (10) bidders being excluded contrary to Section 78(7) of the Public Procurement and Asset Disposal Act, 2015 which states that no tenderer shall be disqualified by the procuring entity during tender opening.

In the circumstances, Management was in breach of law.

2. Irregularities in implementation of Projects

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other Government units amount of Kshs.34,100,000. The amount includes Kshs.7,400,000 in respect to transfers to secondary schools, out of which Kshs.4,600,000 was for additional funding for the purchase of four (4) school buses which were delivered. However, the mechanical post inspection report being a specific technical requirement to be met by the supplier for the 51-seater school bus upon delivery, was not provided for audit.

Further, the amount includes transfer of Kshs.2,000,000 to tertiary institutions for construction to completion of modern gate with security guard house and waiting bay at Kimasian Vocational College. However, the engineer's estimate for the project was Kshs.3,120,830. In addition, review of the supporting documents revealed that two (2) companies were contracted to supply unspecified quantity of building materials, while another company was awarded the contract for construction of a gate but the contract

document, tender documents, evaluation reports and professional opinion were not provided for audit.

In the circumstances, value for money on the expenditure totalling Kshs.7,720,830 could not be confirmed.

3. Unsupported Emergency Projects

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and transfers amount of Kshs.58,831,299 which includes an amount of Kshs.8,395,000 in respect to emergency projects. However, an amount of Kshs.1,937,000 was incurred on construction of ramp for two storey classrooms, completion and renovation of classroom and completion of school gate and computer laboratory which did not meet the criteria for emergency project as stipulated in Section 8(3) of the National Government Constituencies Development Fund Act, 2015 Amended 2022).

Further, the amount includes an amount of Kshs.250,000 transferred to Moi Sorget secondary school which were re-allocated and spent on the construction of classrooms without prior approval of the Board contrary to Section 6(2) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

In addition, there was no evidence of reporting the utilization of emergency reserve to the Board within thirty (30) days contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 June, 2024

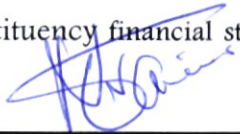
Kipkelion East Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023


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

	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Other Receipts	2	5,000	-
TOTAL RECEIPTS		87,005,000	170,088,879
PAYMENTS			
Compensation of employees	3	5,398,236	3,535,488
Committee expenses	4	5,515,900	8,830,750
Use of goods and services	5	4,138,721	3,110,216
Transfers to Other Government Units	6	34,100,000	117,440,000
Other grants and transfers	7	58,831,299	52,402,470
Acquisition of Assets	8	364,240	-
Oversight Committee Expenses	9	1,375,000	-
TOTAL PAYMENTS		109,723,396	185,318,924
SURPLUS/DEFICIT		(22,718,396)	(15,230,045)

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 30/9/2023 and signed by:


 Fund Account Manager

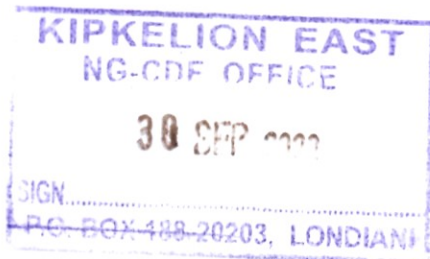

 National Sub-County Accountant


 Chairman NG-CDF Committee

Name: Mwibiri Francis

Name: CPA Phelimon Mbeche
 ICPAK M/No: 11951

Name: Josphat Keter

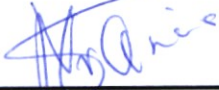


**Kipkelion East Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023**

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


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

	Note	2022-2023 Kshs	2021-2022 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10	19,401,144	42,119,540
Total Cash and Cash Equivalents		19,401,144	42,119,540
TOTAL FINANCIAL ASSETS		19,401,144	42,119,540
NET FINANCIAL ASSETS		19,401,144	42,119,540
REPRESENTED BY			
Fund balance b/fwd 1st July...	11	42,119,540	57,349,585
Surplus/Deficit for the year		(22,718,396)	(15,230,045)
NET FINANCIAL POSITION		19,401,144	42,119,540

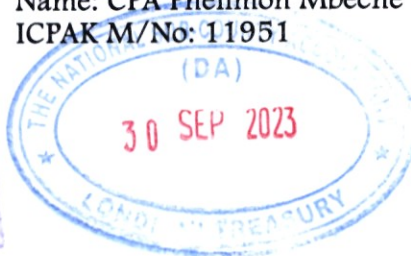

Fund Account Manager


Name: Mwibiri Francis




National Sub-County
Accountant

Name: CPA Phelimon Mbeche
ICPAK M/No: 11951




Chairman NG-CDF Committee

Name: Josphat Keter

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

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

	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Other Receipts	2	5,000	-
		87,005,000	170,088,879
Payments for operating activities			
Compensation of Employees	3	5,398,236	3,535,488
Committee expenses	4	5,515,900	8,830,750
Use of goods and services	5	4,138,721	3,110,216
Transfers to Other Government Units	6	34,100,000	117,440,000
Other grants and transfers	7	58,831,299	52,402,470
Oversight Committee Expenses	9	1,375,000	-
		109,359,156	185,318,924
Net cash flow from operating activities		(22,354,156)	(15,230,045)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(364,240)	-
Net cash flows from Investing Activities		(364,240)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(22,718,396)	(15,230,045)
Cash and cash equivalent at BEGINNING of the year	11	42,119,540	57,349,585
Cash and cash equivalent at END of the year		19,401,144	42,119,540

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 30/9/2023 and signed by:

Fund Account Manager

Name: Mwibiri Francis

National Sub-County
Accountant

Name: CPA Phelimon Mbeche
ICPAK M/No: 11951

Chairman NG-CDF Committee

Name: Josphat Keter

KIPKELION EAST
NG-CDF OFFICE

30 SEP 2023



PO BOX 188-20293, LONDIANI

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

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

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	2022-2023		
Transfers from NG-CDF Board	138,215,033	42,119,541	12,088,879	192,423,453	129,119,540	63,303,913	67%
Proceeds from Sale of Assets				-	-	-	0%
Other Receipts		5,000		5,000	-	5,000	
TOTAL RECEIPTS	138,215,033	42,124,541	12,088,879	192,428,453	129,119,540	63,308,913	67%
PAYMENTS							
Compensation of Employees	4,875,414	5,383,068	588,879	10,847,361	5,398,236	5,449,125	50%
Committee expenses	5,182,489	482,339	-	5,664,828	5,515,900	148,928	97%
Use of goods and services	2,381,450	300,000	-	2,681,450	4,138,721	(1,457,271)	154%
Transfers to Other Government Units	58,200,000	22,100,000	11,500,000	91,800,000	34,100,000	57,700,000	37%
Other grants and transfers	53,193,530	9,177,108		62,370,638	58,831,299	3,539,339	94%
Acquisition of Assets	10,000,000	4,677,027		14,677,027	364,240	14,312,787	2%
Oversight Committee Expenses	1,382,150			1,382,150	1,375,000	7,150	99%
Other Payments	3,000,000			3,000,000	-	3,000,000	0%
Funds Pending Approval		5,000		5,000	-	5,000	
TOTAL	138,215,033	42,124,541	12,088,879	192,428,453	109,723,396	82,705,057	57%

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

- (a) AIA received of Kshs 5,000 from sale of tender for NG-CDF office construction
- (b) Transfer to other government units disbursement less than 90% since there was delay in release of funds by the Board due to Electioneering period
- (c) Employee salaries at 49% with the utilization difference being staff gratuity
- (d) Other grants and transfer at 94% utilization since funds received were allocated to bursary to support needy students
- (e) Acquisition of assets at 2% since NG-CDF office construction is at foundation level
- (f) Strategic plan under other payments is at 0% and is yet to be implemented

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	82,705,057
Less undisbursed funds receivable from the Board as at 30 th June 2023	63,303,913
	19,401,144
Increase/(decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 th June 2023	19,401,144


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 30/9/2023 and signed by:



 Fund Account Manager




 National Sub-County Accountant



 Chairman NG-CDF Committee

Name: Mwibiri Francis

 P.O. BOX 188-20203, LONDIANI

Name: CPA Phelimon Mbeche
 ICPAK M/No: _____

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Name: Josphat Keter

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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,875,414	5,383,068	588,879	10,847,361	5,398,236	5,449,125	50%
1.2 Committee allowances	1,736,038			1,736,038	1,700,000	36,038	98%
1.3 Use of goods and services	1,681,450			1,681,450	2,460,669	(779,219)	146%
Total	8,292,902	5,383,068	588,879	14,264,849	9,558,905	4,705,944	67%
2.0 Monitoring and evaluation						-	
2.1 Capacity building	1,218,451			1,218,451	1,200,000	18,451	98%
2.2 Committee allowances	2,228,000	482,339		2,710,339	2,615,900	94,439	97%
2.3 Use of goods and services	700,000	300,000		1,000,000	1,678,052	(678,052)	168%
Total	4,146,451	782,339	-	4,928,790	5,493,952	(565,162)	111%
3.0 Emergency							
	7,636,190	1,014,207		8,650,397			0%
3.1 Primary Schools				-		-	
RINGA PRI SCH				-	250,000	8,400,397	

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e) = c-d	% of Utilisation = d/c (%)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Kiletien Pri Sch				-	250,000	8,150,397	
Mosomborik Pri Sch				-	100,000	8,050,397	
Tembwo Pri				-	500,000	7,550,397	
Kaptembwo Pri				-	100,000	7,450,397	
Moi Sorget Sec				-	250,000	7,200,397	
Kipkeremwo Pri				-	50,000	7,150,397	
Furaha Pri				-	300,000	6,850,397	
Londiani Girls Boarding Pri				-	500,000	6,350,397	
Kaptargon Primary School				-	340,000	6,010,397	
Kiletien Primary School				-	300,000	5,710,397	
Kapkwen Primary School				-	300,000	5,410,397	
Kiptenden Primary School				-	300,000	5,110,397	
Sailo Primary School				-	200,000	4,910,397	
Siwot Primary School;				-	200,000	4,710,397	
Kichawir Primary School				-	200,000	4,510,397	
Kabisoi Primary School				-	200,000	4,310,397	
Kamarus Annex Pri School				-	200,000	4,110,397	

Kipkelion East Constituency

National Government Constituencies Development Fund (NGCDF)

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Koibarak Primary School				-	200,000	3,910,397	
Kedowa River Farm Pri				-	200,000	3,710,397	
3.2 Secondary Schools				-			
Kapcheplanga Sec School				-	500,000	3,210,397	
Tendeno Sec Sch				-	200,000	3,010,397	
Sitian Secondary School				-	437,000	2,573,397	
Kapseger Sec School				-	200,000	2,373,397	
Chagaik Sec School				-	200,000	2,173,397	
Chepcholiet Sec School				-	200,000	1,973,397	
Leberer Sec School				-	200,000	1,773,397	
Londiani Township Sec School				-	1,000,000	773,397	
Kimasian Sec				-	400,000	373,397	
3.3 Tertiary institutions				-			
3.4 Security projects				-			
Tendeno Chief's Office				-	118,000	255,397	
3.5 Unutilised				-			
Total	7,636,190	1,014,207		8,650,397	8,395,000	255,397	97%

Kipkelion East Constituency

National Government Constituencies Development Fund (NGCDF)

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
4.0 Bursary and Social Security				-			
4.1 Secondary Schools	23,493,039	1,311,728		24,804,767	27,770,154	(2,965,387)	112%
4.2 Tertiary Institutions	13,000,000	1,521,744		14,521,744	14,590,099	(68,355)	100%
4.3 Social Security	3,000,000			3,000,000		3,000,000	0%
4.4 Special Needs	1,000,000			1,000,000	328,790	671,210	33%
Total	40,493,039	2,833,472	-	43,326,511	42,689,043	637,468	99%
5.0 Sports				-		-	
5.1	1,864,301	3,508,256		5,372,557	3,797,256	1,575,301	71%
Total	1,864,301	3,508,256		5,372,557	3,797,256	1,575,301	71%
6.0 Environment							
Ngatumek Primary School	200,000			200,000	200,000	-	100%
		121,173		121,173		121,173	0%
Total	200,000	121,173	-	321,173	200,000	121,173	62%
7.0 Primary Schools Projects							
Cheboror Primary School	800,000			800,000		800,000	0%
Chepkongony Primary School	2,600,000			2,600,000	2,600,000	-	100%

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Chepseon Complex Primary School	1,700,000			1,700,000		1,700,000	0%
Chesinende Primary School	2,600,000			2,600,000	2,600,000	-	100%
Furaha Primary School	2,600,000			2,600,000	2,600,000	-	100%
Kamwingi Primary School	1,100,000			1,100,000		1,100,000	0%
Kamwingi Primary School	1,500,000			1,500,000	1,500,000	-	100%
Kapchomisian Primary school	800,000			800,000		800,000	0%
Kapkwen Primary School	800,000			800,000		800,000	0%
Kapsenda Primary school	700,000			700,000		700,000	0%
Kapsimotwo Primary School	800,000			800,000		800,000	0%
Kaptaragon Primary School	800,000			800,000		800,000	0%
Kaptembwo Primary School	700,000			700,000		700,000	0%
Katet Primary School	700,000			700,000		700,000	0%
Kedowa River farm Primary School	700,000			700,000		700,000	0%
Kemelyet Primary School	800,000			800,000		800,000	0%
Kimugul Primary School	700,000			700,000		700,000	0%
Kipsigori Primary School	700,000			700,000		700,000	0%

Kipkelion East Constituency
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Kipsirichet Primary School	2,600,000			2,600,000	2,600,000	-	100%
Kipyemit Primary School	2,600,000			2,600,000	2,600,000	-	100%
Koibarak Primary School	800,000			800,000		800,000	0%
Lamayat Primary School	800,000			800,000		800,000	0%
Londiani Farmers Primary School	1,600,000			1,600,000		1,600,000	0%
Mosomborik Primary School	1,800,000			1,800,000	1,800,000	-	100%
Mugumoini Primary School	2,600,000			2,600,000		2,600,000	0%
Nderiot Primary School	800,000			800,000		800,000	0%
Ngatumek Primary School	800,000			800,000		800,000	0%
Simboiyon Primary school	1,800,000			1,800,000	1,800,000	-	100%
Siwot Primary School	800,000			800,000		800,000	0%
Tembwo Primary School	800,000			800,000		800,000	0%
Tendeno Primary School	700,000			700,000	700,000	-	100%
Tiritcha Primary School	800,000			800,000		800,000	0%
Tilolwet Primary School	1,300,000			1,300,000		1,300,000	0%
Tumaini Primary School	700,000			700,000		700,000	0%
Mosomborik Pri Sch		1,000,000		1,000,000	1,000,000	-	100%

Kipkelion East Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Nderiot Pri		500,000		500,000	500,000	-	100%
Chepcholiet Pri		400,000		400,000	400,000	-	100%
Chebewor Sec		2,000,000		2,000,000	2,000,000	-	100%
Chepcholiet Pri		600,000		600,000	600,000	-	100%
Chebewor Pri		200,000		200,000	200,000	-	100%
Kapcondor Pri Sch		400,000		400,000	400,000	-	100%
Kamarus Annex Pri		800,000		800,000	800,000	-	100%
Chesinende Primary school			2,500,000	2,500,000		2,500,000	0%
Kimugul Primary school			2,500,000	2,500,000		2,500,000	0%
Kipyopyop Primary school			2,500,000	2,500,000		2,500,000	0%
Mugumoini Primary School			2,500,000	2,500,000		2,500,000	0%
Constituency Desk Projects		9,800,000	-	9,800,000		9,800,000	0%
Total	42,400,000	15,700,000	10,000,000	68,100,000	24,700,000	43,400,000	36%
8.0 Secondary Schools Projects						-	
Chebewor Secondary School	1,000,000	-		1,000,000		1,000,000	0%
Chepcholiet Secondary School	1,000,000	-		1,000,000		1,000,000	0%

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Finch Secondary School	3,200,000	-		3,200,000		3,200,000	0%
Kapsenda Secondary School	1,000,000	-		1,000,000		1,000,000	0%
Chesinende Girls Secondary School	4,600,000	-		4,600,000		4,600,000	0%
Kiprengwe Secondary School	1,000,000	-		1,000,000		1,000,000	0%
Moi Sorget Secondary School	1,000,000	-		1,000,000	1,000,000	-	100%
Testai Day Secondary School	1,000,000	-		1,000,000		1,000,000	0%
Chesinende Girls		1,000,000		1,000,000	1,000,000	-	100%
Chesinende Girls Sec School		1,000,000		1,000,000	1,000,000	-	100%
Tugunon Sec		1,200,000		1,200,000	1,200,000	-	100%
Londiani T/Ship Sec		1,200,000		1,200,000	1,200,000	-	100%
Kipsirichet Sec		1,200,000		1,200,000	1,200,000	-	100%
Saramek Sec		800,000		800,000	800,000	-	100%
Chebewor Secondary school		-	1,500,000	1,500,000	-	1,500,000	0%
Total	13,800,000	6,400,000	1,500,000	21,700,000	7,400,000	14,300,000	34%
9.0 Tertiary institutions Projects				-		-	

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Kimasian Technical and Vocational college	2,000,000			2,000,000	2,000,000	-	100%
Total	2,000,000		-	2,000,000	2,000,000	-	100%
10.0 Security Projects				-		-	
Londiani DCCs Office	1,000,000			1,000,000	1,000,000	-	100%
Londiani Chiefs Office	1,000,000			1,000,000	1,000,000	-	100%
Londiani AP Line	1,000,000			1,000,000	1,000,000	-	100%
Kapkondor Ass Chiefs Office		150,000		150,000	150,000		100%
Chepseon Acc Office		600,000		600,000	600,000		100%
Kipyemit Assistant Chiefs office		400,000		400,000		400,000	0%
Kedowa Police station		400,000		400,000		400,000	0%
Cheboswa Chief's office		150,000		150,000		150,000	0%
Total	3,000,000	1,700,000	-	4,700,000	3,750,000	950,000	80%
11.0 Acquisition of assets				-		-	
NG-CDF Office- Kipkelion East	10,000,000	4,677,027		14,677,027	364,240	14,312,787	2%
Total	10,000,000	4,677,027	-	14,677,027	364,240	14,312,787	2%

Kipkelion East Constituency

National Government Constituencies Development Fund (NGCDF)

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	2022/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
12.0 Oversight Committee Expenses (itemize)				-		-	
COC allowances	360,000			360,000	360,000	-	100%
Hire of transport	80,000		-	80,000	80,000	-	100%
Travel cost	100,000		-	100,000	100,000	-	100%
Other COC Expenses	842,150		-	842,150	835,000	7,150	99%
Total	1,382,150		-	1,382,150	1,375,000	7,150	99%
13.0 Other payments				-		-	
Kipkelion East Strategic Plan	3,000,000			3,000,000		3,000,000	0%
Total	3,000,000	-	-	3,000,000	-	3,000,000	0%
14.0 unallocated fund							
Unapproved projects						-	
AIA		5,000		5,000		5,000	
PMC savings							
Total		5,000	-	5,000	-	5,000	
	138,215,033	42,119,541	12,088,879	192,428,453	109,723,396	82,705,057	57%

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 20th June 2023 for the period 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

Significant Accounting Policies Continued

13. Subsequent Events

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

14. Prior Period Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

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

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE NO. B140949		33,000,000
AIE NO. B105712		16,000,000
AIE NO. B105689		34,000,000
AIE NO. B128559		17,000,000
AIE NO. B128871		14,000,000
AIE NO. B154068		16,000,000
AIE NO. B155911		15,488,879
AIE NO. A888528		4,600,000
AIE NO. B164407		20,000,000
AIE NO. B185116	7,000,000	
AIE NO. B185527	6,000,000	
AIE NO. B185826	15,000,000	
AIE NO. B206416	12,000,000	
AIE NO. B206150	5,000,000	
AIE NO. B205788	12,000,000	
AIE NO. B207549	15,000,000	
AIE NO. B207810	15,000,000	
TOTAL	87,000,000	170,088,879

2. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	5,000	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	5,000	-

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Notes To the Financial Statements (Continued)

3. Compensation of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,778,618	3,181,056
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	2,046,000	-
Employer Contributions Compulsory national social security schemes	573,618	354,432
TOTAL	5,398,236	3,535,488

4. Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	1,242,500	3,714,650
Other committee expenses	4,273,400	5,116,100
Total	5,515,900	8,830,750

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Notes To the Financial Statements (Continued)

5. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	29,450	39,450
Communication, supplies and services	111,111	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	404,860	346,128
Rentals of produced assets	-	-
Training expenses	880,200	962,000
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,478,053	-
Fuel , oil & lubricants	532,516	702,000
Other operating expenses	-	563,000
Bank Charges	55,859	-
Security operations	-	497,638
Routine maintenance - vehicles and other transport equipment	646,673	-
Routine maintenance- other assets	-	-
TOTAL	4,138,721	3,110,216

6. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	24,700,000	59,340,000
Transfers To Secondary Schools (See Attached List)	7,400,000	54,100,000
Transfers To Tertiary Institutions (See Attached List)	2,000,000	4,000,000
Total	34,100,000	117,440,000

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Notes To The Financial Statements (Continued)

7. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	27,770,154	18,375,890
Bursary – tertiary institutions (see attached list)	14,590,099	21,314,900
Bursary – special schools (see attached list)	328,790	136,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	3,750,000	1,200,000
Sports projects (see attached list)	3,797,256	-
Environment projects (see attached list)	200,000	3,597,680
Emergency projects (see attached list)	8,395,000	7,778,000
Roads projects (see attached list)	-	-
Total	58,831,299	52,402,470

8. Acquisition Of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	364,240	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	364,240	-

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9. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	675,000	-
Other COC expenses	700,000	-
TOTAL	1,375,000	-

10. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (Main account)</i>	19,401,144	42,119,540
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	19,401,144	42,119,540

11. Fund Balance B/F

	(1 st July 2023-1)	(1 st July 2023-2)
	Kshs	Kshs
Bank accounts	42,119,540	57,349,585
Fund Balance Brought Forward	42,119,540	57,349,585

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Notes To the Financial Statements (Continued)

12. Other Important Disclosures

12.1: Pending Staff Payables (See Annex 1)

	<i>2022/2023</i>	<i>2021/2022</i>
	Kshs	Kshs
NGCDFC Staff Gratuity	1,104,319	-
Others (<i>specify</i>)	-	-
Total	1,104,319	-

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Other important disclosures (continued)

12.2: Unutilized Fund (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	5,449,125	5,971,947
Committee expense	148,928	300,000
Use of goods and services	20,781	482,339
Amounts due to other Government entities (see attached list)	57,700,000	37,780,000
Amounts due to other grants and other transfers (see attached list)	3,539,339	4,997,108
Acquisition of assets	12,834,735	4,677,027
Oversight Committee Expenses	7,150	-
Other Payments (specify)	3,000,000	-
Funds pending approval	5,000	-
Total	82,705,057	54,208,420

12.3: PMC account balances (See Annex 3)

Description	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	3,863,712	16,724,354
Total	3,863,712	16,724,354

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13. Annexes
 Annex 1 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				Outstanding gratuity
1. Jedidah Chepkemioi	Office Secretary	January 2023	91,437.60	Outstanding gratuity
2. Judy Chepchirchir	Records Management	January 2023		Outstanding gratuity
3. Leonard Maritim	Accounts Assistant	July 2022	149,432.40	Outstanding gratuity
4. Bernard Gachie	Clerks of works	January 2023	112,232.40	Outstanding gratuity
5. Weldon Cheruiyot	Security Guard	January 2023	81,430.80	Outstanding gratuity
6. Fredrick Sang	Office assistant	January 2023	62,830.80	Outstanding gratuity
7. Alfred Cheruiyot	Driver	January 2023	62,830.80	Outstanding gratuity
8. Ronald Barusei	Office assistant	January 2023	62,830.80	Outstanding gratuity
9. Nicholus Tonui	Driver	January 2023	79,980.00	Outstanding gratuity
10. Peter Milgo	Field clerk	January 2023	62,830.80	Outstanding gratuity
11. Vincent Kipkemioi	Office assistant	January 2023	91,437.60	Outstanding gratuity
12. Sammy Njoroge	Office assistant	January 2023	62,830.80	Outstanding gratuity
13. Hillary Cheruiyot	Office assistant	January 2023	62,830.80	Outstanding gratuity
14. Robert Ngeno	Security	January 2023	81,430.80	Outstanding gratuity
Sub-Total				
Grand Total				

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Annex 2 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
1.0 Administration and Recurrent				
1.1 Compensation of employees	Staff salaries	5,449,125	5,971,947	Ongoing
1.2 Committee allowances	Committee allowances	36,038	-	
1.3 Use of goods and services	committee Use of goods & services	(779,219)	-	
Total		4,705,944	5,971,947	
2.0 Monitoring and evaluation				
2.2 Committee allowances	Committee allowances	18,451	114,371	ongoing
2.3 Use of goods and services	Use of goods and services	(678,052)	667,967	Ongoing
Total		(659,601)	782,338	-
3.0 Emergency				
	To cater for unforeseen circumstances	255,397	14,207	ongoing
3.1 Primary Schools		-		-
Total		255,397	14,207	-
4.0 Bursary and Social Security				
Total	To support needy students	637,468	1,311,728	Ongoing
5.0 Sports		-		-
5.1	to facilitate sports tournament	1,575,301	2,000,000	Ongoing
Total		1,575,301	2,000,000	-
6.0 Environment				

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	Planting of trees in institutions	121,173	121,173	Ongoing
Total		121,173	121,173	-
7.0 Primary Schools Projects				
Cheboror Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Chepseon Complex Primary School	Construction of admin block	1,700,000		Funds disbursed to PMC
Kamwingi Primary School	Completion of admin block	1,100,000		Funds disbursed to PMC
Kapchomisian Primary school	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Kapkwen Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Kapsenda Primary school	Completion of admin block	700,000		Funds disbursed to PMC
Kapsimotwo Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Kaptaragon Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Kaptembwo Primary School	Completion of admin block	700,000		Funds disbursed to PMC
Katet Primary School	Completion of admin block	700,000		Funds disbursed to PMC
Kedowa River farm Primary School	Completion of admin block	700,000		Funds disbursed to PMC
Kemelyet Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Kimugul Primary School	Completion of admin block	700,000		Funds disbursed to PMC
Kipsigori Primary School	Completion of admin block	700,000		Funds disbursed to PMC
Koibarak Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC

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Lamayat Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Londiani Farmers Primary School	Construction of 2 no classroom	1,600,000		Funds disbursed to PMC
Mugumoini Primary School	Renovations of classrooms	2,600,000		Funds disbursed to PMC
Nderiot Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Ngatumek Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Siwot Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Tembwo Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Tiritcha Primary School	Construction of 1 no classroom	800,000		Funds disbursed to PMC
Tilolwet Primary School	Completion of admin block	1,300,000		Funds disbursed to PMC
Tumaini Primary School		700,000		Funds disbursed to PMC
Chesinende Primary school	drilling of borehole	2,500,000		Funds disbursed to PMC
Kimugul Primary school	drilling of borehole	2,500,000		Funds disbursed to PMC
Kipyopyop Primary school	drilling of borehole	2,500,000		Funds disbursed to PMC
Mugumoini Primary School	drilling of borehole	2,500,000		Funds disbursed to PMC
Constituency Desk Projects	purchase of desks	9,800,000	8,405,000	
Kapmachungwa Primary School	Renovation of classrooms		300,000	
Londiani Boys Primary School	Renovation of classrooms		300,000	
Murasoi Primary School	Renovation of classrooms		300,000	
Sogobet Primary School	Renovation of classrooms		300,000	
Tendeno Primary School	Renovation of classrooms		300,000	
Chepcholiet Primary School	Renovation of classrooms		400,000	

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Kapkondor Primary School	Renovation of classrooms		400,000	
Cheboror Primary School	construction of a classroom		500,000	
Kamarus Primary School	construction of a classroom		500,000	
Kapchomisian Primary school	construction of a classroom		500,000	
Kimasian Primary School	construction of a classroom		500,000	
Kimoson Primary school	construction of a classroom		500,000	
Kipregnwe Pry School	construction of a classroom		500,000	
Koibarak Primary School	construction of a classroom		500,000	
Nderiot Primary School	construction of a classroom		500,000	
Ngatumek Primary School	construction of a classroom		500,000	
Sabunit Primary School	construction of a classroom		500,000	
Tugunon Primary School	construction of a classroom		575,000	
Kipkoiyo Primary School	Renovation of classrooms		600,000	
Lemeiwet Primary School	Renovation of classrooms		600,000	
Murasoi Primary School	Renovation of classrooms		600,000	
Kapkondor Primary School	purchase of land		700,000	
Chebewor Primary School	purchase of land		800,000	
Kamarus Annex Primary School	purchase of land		800,000	
Kemelyet Primary School	purchase of land		800,000	
Sogobet Primary School	purchase of land		800,000	
Leberer Primary School	construction of admin block		1,000,000	
Chesinende Primary School	drilling of borehole		2,500,000	
Kimugul Primary School	drilling of borehole		2,500,000	
Total		43,400,000	27,980,000	-
8.0 Secondary Schools Projects		-		
Chebewor Secondary School	Completion of admin block	1,000,000		Funds disbursed to PMC
Chepcholiet Secondary School	Completion of admin block	1,000,000		Funds disbursed to PMC

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Finch Secondary School	Completion of dining hall	3,200,000		Funds disbursed to PMC
Kapsenda Secondary School	Completion of admin block	1,000,000		Funds disbursed to PMC
Chesinende Girls Secondary School	Completion of dining hall	4,600,000		Funds disbursed to PMC
Kiprengwe Secondary School	Completion of admin block	1,000,000		Funds disbursed to PMC
Testai Day Secondary School	Completion of admin block	1,000,000		Funds disbursed to PMC
Chebewor Secondary school	drilling of borehole	1,500,000		Funds disbursed to PMC
Barotion Secondary School			1,000,000	
Chebewor Secondary School	construction of d hall		2,000,000	
Chepseon Complex Secondary School	construction of dorm		1,000,000	
Chesinende Girls Secondary School	purchase of school bus		1,000,000	
Dr Koech Secondary School	construction of a classroom		500,000	
Kamarus Sec School	construction of a classroom		500,000	
Kipsirichet Secondary School	purchase of school bus		1,200,000	
Londiani Township Sec School	purchase of school bus		1,200,000	
Saramek Secondary School	Purchase of land		800,000	
Tugunon Secondary School	purchase of school bus		1,200,000	
Total		14,300,000	10,400,000	-
9.0 Tertiary institutions Projects		-		-
Total		-		
10.0 Security Projects		-		
Kipyemit Assistant Chiefs office	Construction of chiefs office	400,000	400,000	At procurement stage
Kedowa Police station	Construction st station	400,000	400,000	At procurement stage
Cheboswa Chief's office	Purchase of office furniture	150,000	150,000	At procurement stage
Total		950,000	950,000	
11.0 Acquisition of assets				

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NG-CDF Office- Kipkelion East	NG-CDF office construction	14,312,787	4,677,027	Ongoing
Total		14,312,787	4,677,027	
COC allowances	COC allowances			
Hire of transport	Hire of transport			
Travel cost	Travel cost			
Other COC Expenses	Other COC Expenses	7,150		
12.0 Other payments		7,150		-
Kipkelion East Strategic Plan	Development of constituency strategic plan	3,000,000		Not yet started
Total		3,000,000	-	
13.0 unallocated fund				
Unapproved projects		-		
AIA		5,000		
PMC savings				
Total		5,000	-	-
		82,705,057	54,208,420	

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Annex 3 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2021/2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2022/2023
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	3,949,999	-	-	3,949,999
Office equipment, furniture and fittings	144,825	-	-	144,825
ICT Equipment, Software and Other ICT Assets	295,750	364,240	-	659,990
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	4,390,574	364,240	-	4,754,814

Kipkelion East Constituency**National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Annex 4 –PMC Bank Balances As At 30th June 2023**

PMC NAME	PMC ACC NUMBER	BANK	DATE ACC OPENED	PMC ACC BALANCE 30.6.23	PMC ACC BALANCE 30.6.22
Chebewor Secondary	1122695918	KCB Londiani	02 NOV 2010	62	NIL
Chepcholiet Primary School	1168028116	KCB Londiani	02-Mar-15	517,478	NIL
Chepcholiet Secondary School	1239544162	KCB Londiani	03-Oct-18	73,256	NIL
Chesinende Pri School	1150922184	KCB Londiani	17 MAR 2014	300,027	NIL
Furaha Primary School	1109804970	KCB Londiani	18 NOV 2008	989	NIL
Kabbiso Primary School	1154153010	KCB Londiani	05 JUN 2014	10,381	NIL
Kamarus Annex Primary School	1203865422	KCB Londiani	22 DEC 2016	216	NIL
Kamwingi Primary School	1284696707	KCB Londiani	07 APR 2021	751	NIL
Kapkondor Primary School	1103343556	KCB Londiani	07-Oct-03	803	NIL
Kapkwen Primary School	1175957186	KCB Londiani	26 OCT 2015	112	NIL
Kapseger Secondary School	1203863217	KCB Londiani	22 DEC 2016	701,810	NIL
Kaptembwo Primary School	1184259968	KCB Londiani	01 AUG 2016	1,593	NIL
Kedowa River Farm Primary School	1103382535	KCB Londiani	07 DEC 2007	325,151	NIL
Kichawir Primary School	1286996821	KCB Londiani	30 JUN 2021	702,160	NIL
Kiletien Primary School	1294536257	KCB Londiani	21 MAR 2022	654	NIL
Kimasian Secondary	1126500984	KCB Londiani	18 APR 2011	433,082	NIL
Kipsirichet Primary	1153972824	KCB Londiani	30 MAY 2014	3,741	NIL
Kipsirichet Secondary	1103347829	KCB Londiani	11 FEB 2005	23,021	NIL
Kiptenden Primary School	1155920686	KCB Londiani	02 JUL 2014	2,077	NIL
Koibarak Primary School	1315703637	KCB Londiani	06 JUN 2023	380	NIL
Leberer Secondary School	1155692179	KCB Londiani	30 JUN 2014	528,923	NIL
Londiani Ap Line	1312672528	KCB Londiani	07 MAR 2023	-	NIL
Londiani Chiefs Office	1312390522	KCB Londiani	28 FEB 2023	-	NIL
Londiani T/Ship Secondary	1172441855	KCB Londiani	16 JUL 2015	155,171	NIL
Moi Sorget Secondary	1181719747	KCB Londiani	20 MAY 2016	517	NIL
Mosomborik Pri Sch	1167973682	KCB Londiani	27 FEB 2015	1,432	NIL
Nderiot Primary School	1178677362	KCB Londiani	10 FEB 2016	790	NIL
Ringa Primary School	1165351226	KCB Londiani	10 DEC 2014	1,632	NIL
Sailo Primary School	1204659257	KCB Londiani	14 JAN 2017	1,557	NIL

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PMC NAME	PMC ACC NUMBER	BANK	DATE ACC OPENED	PMC ACC BALANCE 30.6.23	PMC ACC BALANCE 30.6.22
Saramek Secondary School	1123232482	KCB Londiani	22 NOV 2010	184	NIL
Sitian Secondaryondary School	1176884751	KCB Londiani	30 NOV 2015	72,474	NIL
Siwot Primary School;	1292858575	KCB Londiani	26 JAN 2022	2,394	NIL
Tembwo Primary School	1201300568	KCB Londiani	25 OCT 2016	217	NIL
Tendeno Chief's Office	1122420005	KCB Londiani	22-Oct-10	-	NIL
Tendeno Secondary Sch	1154496333	KCB Londiani	02-Mar-15	680	NIL
				3,863,712	

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Annex 5: 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)
KIPKELION EAST/CDF/AUDIT2021-22/2	1.0 Cash and Cash Equivalents	All stale cheques reversed in the cahsbook	Resolved	April 2023
KIPKELION EAST/CDF/AUDIT2021-22/2	2.0 Unsupported PMC Bank Account Balances	Certified PMC Account balances availed for audit verification	Resolved	April 2023
KIPKELION EAST/CDF/AUDIT2021-22/2	3.0 Lack of Ownership Documents	Copies land sale agreements availed for audit verifications	Resolved	April 2023



Name: Mwibiri Francis
Fund Account Manager

