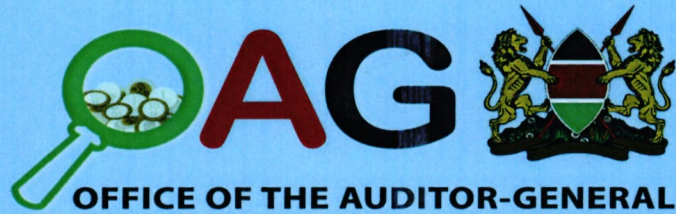


REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY	
DATE: 23 NOV 2022	DAY: Wednesday
TABLED BY: Majority Whip	
CLERK AT THE TABLE: Mado	

THE AUDITOR-GENERAL

ON

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

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



KESSES CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/revisions of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

1. Patriotism – we uphold the national pride of all Kenyans through our work
2. Participation of the people- We involve citizens in making decisions about programmes we fund

Kesses Constituency

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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 Kesses Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Gloria Mwasi
2.	Sub-County Accountant	Mary Waa
3.	Chairman NGCDFC	Mary Kogo
4.	Member NGCDFC	John Busienei

(d) Fiduciary Oversight Arrangements

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

(e) Kesses Constituency NGCDF Headquarters

P.O. Box 6742- 30100
Annex Off Mti Moja Access Road
Eldoret Nakuru Highway
Eldoret, KENYA

(f) Kesses Constituency NGCDF Contacts

Telephone: (254) 777674200
E-mail: cdfkesses@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Kesses Constituency NGCDF Bankers

Cooperative Bank of Kenya
Eldoret Nakuru Highway
P.O. Box 2948
Eldoret, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

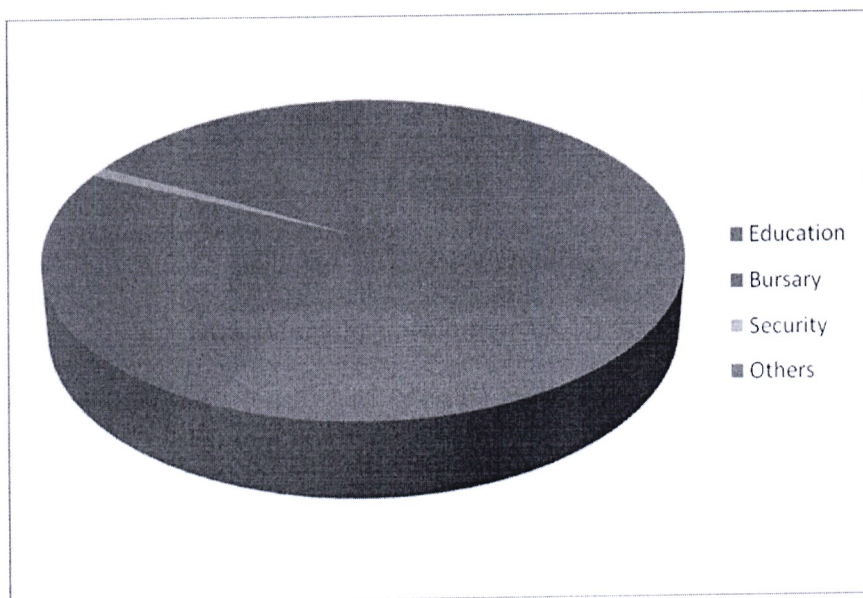
II. NG-CDFC CHAIRMAN'S REPORT



Mrs. Mary Kogo-Chair NGCDF Kesses

It is with great pleasure to present to you the Kesses NG-CDF financial statements for the year ended 30th June 2021. The performance of the constituency for the just ended financial year has not been very good due to the outbreak of corona virus that slowed down implementation of projects. Funds absorption by the PMCs has been low.

Below is a summary of funds allocated in the 2020/2021 financial year.



Key Achievements for the entity

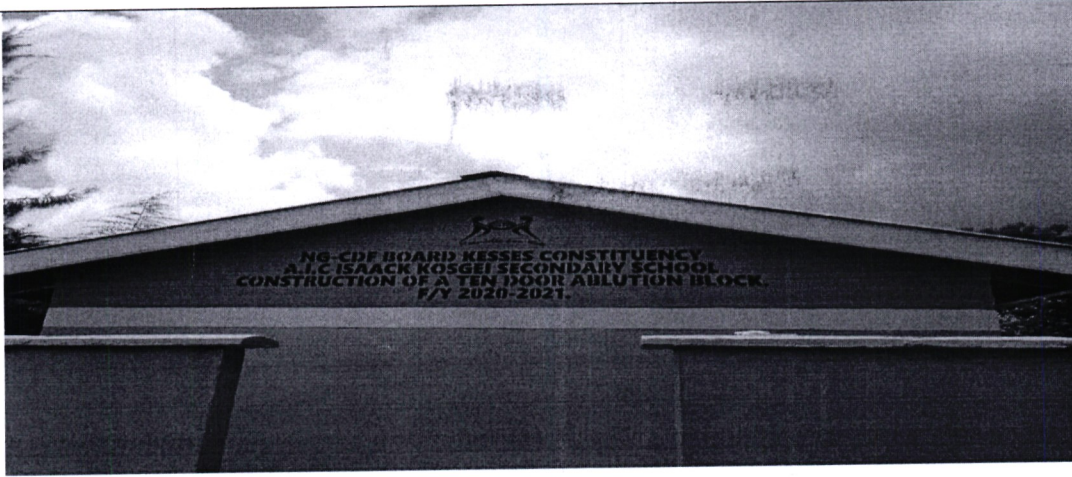
A good number of ongoing projects were completed during the financial year and new ones started as well. Among new projects started include classrooms, laboratories and renovations of classrooms thus creating a good learning environment for the learners. Tree planting was witnessed during the year thus increasing forest cover within the constituency.

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To combat covid 19, more water tanks were purchased for schools to aid in hand washing as the water is collected from rain.

Some of the implemented projects are as shown below:

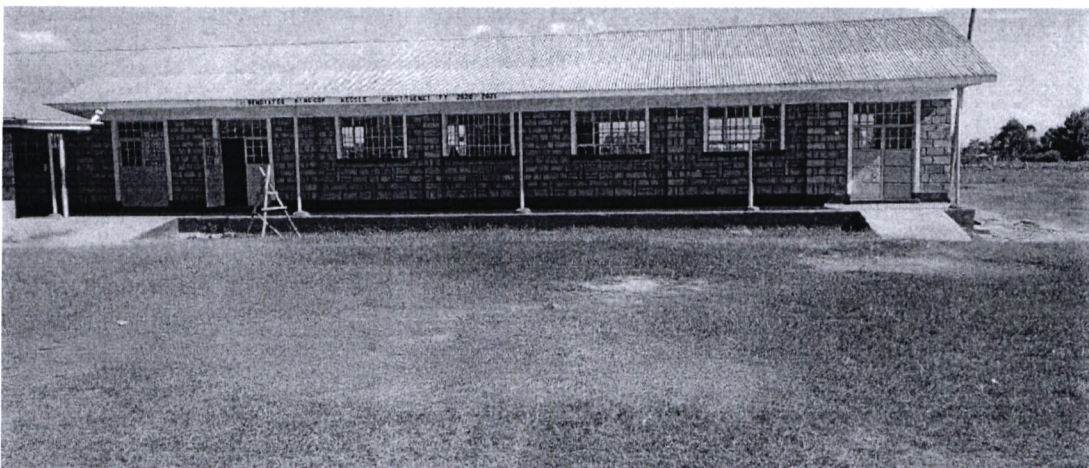




Ongoing construction of administration block at racecourse secondary school



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Challenges

During the financial year, the entity has encountered several challenges. Firstly, there was slow absorption of funds by PMC. This was occasioned by the delay in receipt of bill of quantities from public works thus delaying implementation of projects.

The corona virus pandemic also affected implementation of projects by PMCs in the last quarter of the financial year. When schools were announced to be closed, most principals of schools who are secretaries for PMCs left their work stations immediately. This resulted to delay in the procurement process and hence projects implementation.

However, the heads of schools were engaged through the Sub-county director of education and urged them to go back to their learning institutions to implement projects. Faster implementation would also see increased number of classrooms which will be in tandem with the ministry of health guidelines of ensuring social distancing.

Sign



CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of *Kesses Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) Improve access to education
- b) Improve infrastructure in learning institutions
- c) Improve academic performance in KCPE and KCSE
- d) Enhance and sustain security in the constituency
- e) Promote sustainable environment management practices
- f) Nature and promote youth sporting talent
- g) Promote sustainable youth empowerment programmes
- h) Increase access to ICT infrastructure

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 2020/21 -we increased number of classrooms in primary schools from 858 to 868 and in secondary schools from 321 to 326 We increased number of laboratories from 48 to 51. We increased number of administration blocks from 55 to 58. We increased number of pit

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				latrines from 1403 to 1428 within the constituency.
Security	-Enhance and sustain security in the constituency	-Conducive working environment for security personnel -Increased security coverage Secure business environment.	-Number of rehabilitated and constructed DCC and chief offices.	In FY 2020/21 -We constructed pit latrine at chiefs offices in Oleinguse sub location, Kapkoi sub location, kipchamo sub location and Chuiyat location. -We also furnished kapkoi chiefs office.
Environment	-Promote sustainable environment management practices	-Increased forest cover in the constituency -A more informed citizenry on environmental conservation.	-Number of trees planted. -Number of water tanks purchased for harvesting rain water	During F/Y 2020/21 -We planted 1000 trees each to 10 schools within the constituency and DCCs office -We supplied 5000litres water tanks to 16 schools within the constituency.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

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

2. Environmental performance

Kesses NG-CDF encourage schools to plant trees every year to increase forest cover and also improve the environment by reducing soil erosion and also purchase water tanks to harvest rain water. This has helped in solving water problem, improve hygiene especially at these times of covid 19 as well as reduce soil erosion.

3. Employee welfare

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

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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. Employees are encouraged and supported to continually build on their skills and knowledge. Kesses 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-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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.

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Kesses Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Kesses Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kesses Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kesses Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Kesses Constituency financial statements were approved and signed by the Accounting Officer on 27/6 2021.



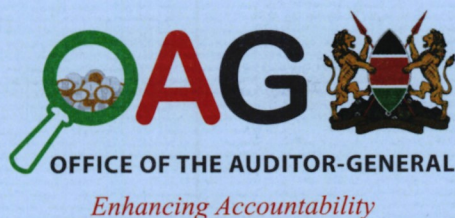
Chairman NGCDF Committee
Name: John Busienei



Fund Account Manager
Name: Gloria Mwasi

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kesses Constituency set out on pages 17 to 72, which comprise of the statement of assets and liabilities as at 30 June, 2021, 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 National Government Constituencies Development Fund - Kesses Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.51,964,899 as disclosed in Note 10A to the financial statements. Review of the bank reconciliation as at 30 June, 2021 revealed unrepresented cheques totalling to Kshs.2,821,288, comprising (5) unrepresented cheques totalling to Kshs.1,830,000 which had not been cleared as at the time of the audit in April, 2022 and had subsequently become stale. Further, the stale cheques were not reversed in the cash book.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.51,964,899 could not be confirmed.

2. Inaccuracies in the Financial Statements

The statement of assets and liabilities reflects nil balance in respect of accounts payables-deposits and retentions as disclosed in Note 12A to the financial statements. However, audit review of payment vouchers, cash book and bank statements revealed outstanding retentions in respect of 10% retention fee deducted from a contractor amounting to Kshs.362,262 as at 30 June, 2021 which was not included in the statement of assets and liabilities.

In the circumstances, the accuracy and completeness of the Nil accounts payables - deposits and retentions balance could not be confirmed.

3. Unconfirmed Fixed Assets

Annex 4 to the financial statements - Summary of Fixed Asset Register reflects a balance of Kshs.21,229,942 as at 30 June, 2021. Included in the summary of fixed assets balance is a grounded Land Rover Double Cabin registration number GKB 501F valued at Kshs.4,800,000 whose logbook was not provided for audit.

Further, the asset register does not indicate the acreage and value of land where Kesses National Government Constituencies Development Fund office is constructed.

In addition, the Fund received assets from the National Government Constituencies Development Fund Board without values, contrary to the requirements of the Public Sector Accounting Standards Board.

In the circumstances, the accuracy, ownership, completeness and valuation of the fixed assets balance of Kshs.21,229,942 could not be confirmed.

4. Presentation and Disclosure of Financial Statements

The status of the progress on follow-up of the prior year auditor's recommendations was not provided in the financial statements as required by the Public Sector Accounting Standards Board (PSASB).

In the circumstances, the Fund's financial statements do not comply with the financial reporting guidelines provided by PSASB pursuant to Section 194 of the Public Finance Management Act, 2012.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final budgeted receipts of Kshs.225,739,806 and actual receipts of Kshs.180,650,927 resulting in budget shortfall of Kshs.45,088,879 or 20% of the approved budget. Similarly, the statement reflects final budgeted payments of Kshs.225,739,806 and actual payments of Kshs.128,936,028 resulting in net under expenditure of Kshs.96,803,778 or 43% of the budget.

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

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 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. Implementation Status of Projects

The project status report provided for audit review shows that the fund had an approved budget of Kshs.225,739,806 to finance two hundred and fourteen (214) projects out of which Kshs.197,766,464 was disbursed to one hundred and ninety-three (193) projects, which had a total budget of Kshs.220,953,123, resulting in underfunding of Kshs.23,186,559. In addition, twenty-one (21) projects with a total budget of Kshs.11,190,140 were not funded during the year. Lack of funding for approved projects indicates that planned programmes/activities were not implemented thus not achieving the intended objective of improving service delivery to the public.

Further twenty-nine (29) projects with disbursements of Kshs.47,900,000 were physically verified during the audit in April, 2022. Twenty-four (24) projects with funding of Kshs.35,900,000 were found to be complete, while five (5) projects with funding of Kshs.12,000,000 are delayed in completion. Ownership of the land on which the developments were carried out and the registration status of the institutions with the Ministry of Education could not be ascertained as the Fund does not retain a copy of the certified documents. Further, a primary school which was not duly registered received funding for construction of two classrooms.

In the circumstances, delay in implementation of projects denies the public benefits that could have accrued from utilisation of the assets.

2. Delayed Disbursements of Funds from the Board

The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board during the year amounting to Kshs.161,867,724. The amount includes Kshs.69,867,724 or 43% of total receipts which includes Kshs.500,000 late disbursement for the year 2015/2016 and Kshs.69,367,724 late disbursements for the year 2019/2020. Further, the Fund received Kshs.92,000,000 out of the budgeted funds of Kshs.137,157,879 or approximately 67% of budgeted funds resulting to budget underfunding of Kshs.45,157,879 or approximately 33% of the budgeted funds, contrary to Section 16(a) of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, the Board is breach of the law and delay in fund disbursements from the Board results in delay in implementation of approved projects or programs and therefore, denies the public the services and benefits accruing from completed projects.

3. Project Management Committee Bank Balances

Note 17.4 to the financial statements discloses Project Management Committee (PMC) account balances of Kshs.97,696,774 held in 117 commercial bank accounts as further disclosed in Annex 5 to the financial statements. Although bank statements were provided, cash books and bank reconciliation statements were not provided for audit.

In the circumstances, the accuracy and completeness of the project management committee bank balances of Kshs.97,696,774 could not be confirmed.

4. Casuals Employed Continuously for More than Three Months

A review of manual payroll and letters of appointment revealed that five (5) casuals were engaged continuously for more than 3 months contrary to Section 37(1)(b) of Employment Act, 2007.

In the circumstances, Management was in breach of the law

5. Failure to Disburse Bursary Funds

The statement of receipts and payments reflects other grants and transfers amount of Kshs.11,650,000. However, Note 7 to the financial statements reflects zero balances for bursary for secondary, tertiary and special schools. Review of funds disbursed from the Board revealed that the Fund received a total of Kshs.25,600,000 in respect of bursary allocation. However, despite the bursary sub-committee holding several meetings for the exercise, the Management failed to disburse the bursary funds.

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

6. Irregular Award of Tender for Proposed Construction of Kesses Police Station

The statement of receipts and payments reflects other grants and transfers amount of Kshs.11,650,000 which according to Note 7 to the financial statements includes Kshs.8,850,000 for security projects. The amount includes Kshs.6,300,000 transferred to Kesses Police Station Project Management Committee (PMC) for construction of Kesses Police Station office block.

Review of the procurement process revealed the following;

- (i) The Tender Opening Register, letters appointing the Tender Opening Committee members, letters appointing the members of the ad hoc Tender Evaluation Committee, individual score sheets were not provided for audit.
- (ii) Minutes of the Tender Opening Committee meeting were only signed by one member of the committee.
- (iii) The Tender Evaluation Report was only signed by one member of the tender evaluation committee instead of the listed five (5) members, contrary to Section 80 (4) & (7) of the Public Procurement and Asset and Disposal Act, 2015.
- (iv) The professional opinion issued by the Head of Supply Chain Management on 27th May, 2021 recommended that the contract be awarded to a local contractor Limited at a sum of Kshs.9,685,850, against a budget of Kshs.5.6M, contrary to Section 44(2) of the Public Procurement and Asset and Disposal Act, 2015.
- (v) A due diligence report, signed by a Public Works representative (and not by all members of the evaluation committee) and dated 21 July, 2021, indicated that the due diligence exercise/visit to a reference site was carried out on 20 July, 2021, whereas the contract between the Project Management Committee (PMC) and the bidder had been executed much earlier on 15 June, 2021, contrary to Section 83(1) & (2) of the Public Procurement and Asset and Disposal Act, 2015.

- (vi) There was no evidence that the procuring entity notified the Authority of the contract award, contrary to Regulation 131(1)(b) of the Public Procurement and Asset and Disposal Regulations, 2020.
- (vii) Notification of intention to award contract to the successful tenderer, as well as letters of regret were all dated 27th May, 2021. There was, however, no dispatch receipt for the successful tenderer's letter of notification of intention to award contract. The regret letters also failed to disclose who the successful tenderer was. All this was in contravention of Section 87(3) of the Public Procurement and Asset and Disposal Act, 2015.
- (viii) The Head of Supply Chain Management issued an undated, second professional opinion rescinding his initial professional opinion because it had come to his knowledge that the winning bidder had not met the preliminary tender requirements by failing to submit a bid bond as required. He further advised the Accounting Officer not to proceed with the contract execution.
- (ix) The winning bidder, in his tender submission letter disclosed that he is an National Construction Authority (NCA), Category 6 contractor, whereas the tender advert targeted NCA Category 7 and above, implying that the bid should not have progressed beyond the preliminary stage.
- (x) On 15 June, 2021 a contract for the proposed construction was executed by the Sub County Police Commander (Kesses) and a director of the awarded contractor despite there was conflicting professional opinions from the Head of the Supply Chain, and before the mandatory expiry of 14 days after issue of notification to award tender, contrary to Section 135(3) of the Public Procurement and Asset and Disposal Act, 2015.
- (xi) Both the Accounting Officer and the county head of procurement function for the Fund proceeded with the procurement process despite lack of signed/valid tender opening minutes and lack of signed/valid tender evaluation report and signed individual score sheets, contrary to Section 44 of the Public Procurement and Asset and Disposal Act, 2015 and Regulation 23 of the Public Procurement and Asset and Disposal Regulations, 2020.

In the circumstances, the Kesses Police Station Project Management Committee breached the law and the regularity of the expenditure of Kshs.6,300,000 could not be confirmed.

7. Inadequacies in Construction of Kesses NG-CDF Office Block

The statement of receipts and payments reflects acquisition of assets amount of Kshs.4,662,623 which includes construction of buildings of Kshs.3,662,623 as disclosed in Note 8 to the financial statements, meant for construction of Kesses National Government Constituencies Development Fund office block. Review of the project file revealed that, Management did not obtain a bank guarantee issued by an authorized financial institution or letter of credit, as required under Section 143 of the Public Procurement and Asset Disposal Act, 2015. The Management instead provided a performance bond from an insurance firm.

In the circumstances, Management breached the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi




22 September, 2022

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

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,867,724	123,440,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	5,000	24,000
TOTAL RECEIPTS		161,872,724	123,464,876
PAYMENTS			
Compensation of employees	4	1,742,120	2,276,351
Use of goods and services	5	7,331,285	5,402,256
Transfers to Other Government Units	6	103,550,000	66,102,321
Other grants and transfers	7	11,650,000	49,782,679
Acquisition of Assets	8	4,662,623	5,679,221
Other Payments	9	-	150,000
TOTAL PAYMENTS		128,936,028	129,392,828
SURPLUS/DEFICIT		32,936,696	(5,927,953)


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kesses Constituency financial statements were approved on 27/6/2021 and signed by:

		
_____ Fund Account Manager Name: Gloria Mwasi	_____ National Sub-County Accountant Name: Mary Waa ICPAK M/No: 7312	_____ Chairman NG-CDF Committee Name: John Busienei

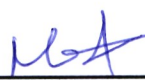
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	51,964,899	18,778,203
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		51,964,899	18,778,203
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		51,964,899	18,778,203
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		51,964,899	18,778,203
REPRESENTED BY			
Fund balance b/fwd 1st July...		18,778,203	24,706,156
Prior year adjustments	14	250,000	
Surplus/Defict for the year		32,936,696	(5,927,953)
NET FINANCIAL POSITION		51,964,899	18,778,203


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kesses Constituency financial statements were approved on 27/6/2021 and signed by:



Fund Account Manager
Name: Gloria Mwasi



National Sub-County
Accountant
Name: Mary Waa
ICPAK M/No: 7312



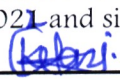
Chairman NG-CDF Committee
Name: John Busienei

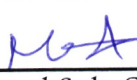
**Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

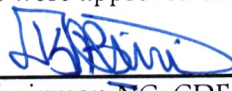
IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,867,724	123,440,876
Other Receipts	3	5,000	24,000
		161,872,724	123,464,876
Payments for operating activities			
Compensation of Employees	4	1,742,120	2,276,351
Use of goods and services	5	7,331,285	5,402,256
Transfers to Other Government Units	6	103,550,000	66,102,321
Other grants and transfers	7	11,650,000	49,782,679
Other Payments	9	-	150,000
		124,273,405	123,713,607
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	250,000	-
Net Adjustments		250,000	-
Net cash flow from operating activities		37,849,319	(248,732)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(4,662,623)	-
Net cash flows from Investing Activities		(4,662,623)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		33,186,696	(248,732)
Cash and cash equivalent at BEGINNING of the year	10	18,778,203	24,706,156
Cash and cash equivalent at END of the year		51,964,899	18,778,203

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Kesses Constituency financial statements were approved on 27/6/2021 and signed by:


Fund Account Manager
Name: Gloria Mwasi


National Sub-County
Accountant
Name: Mary Waa
ICPAK M/No: 7312


Chairman NG-CDF Committee
Name: John Busienei

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference		% of Utilization	
	a	b	c=a+b	d	e=c-d	f=d/c %						
RECEIPTS	2020/2021		2020/2021	30/06/2021								
	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Transfers from NGCDF Board	137,088,879	18,778,203	69,867,724	225,734,806	180,645,927	45,088,879	80.0%					
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%					
Other Receipts	-	5,000	5,000	5,000	5,000	-	100.0%					
TOTALS	137,088,879	18,783,203	69,867,724	225,739,806	180,650,927	45,088,879	80.0%					
PAYMENTS												
Compensation of Employees	2,934,859	678,932	2,060,348	5,674,139	1,742,120	3,932,019	30.7%					
Use of goods and services	8,755,839	2,514,854	1,814,905	13,085,598	7,331,285	5,754,313	56.0%					
Transfers to Other Government Units	77,800,000	1,268,000	51,750,000	130,818,000	103,550,000	27,268,000	79.2%					
Other grants and transfers	47,598,181	9,103,890	12,441,630	69,143,701	11,650,000	57,493,701	16.8%					
Acquisition of Assets	-	5,192,554	1,800,841	6,993,395	4,662,623	2,330,772	66.7%					
Other Payments	-	19,973	-	19,973	-	19,973	0.0%					
Funds pending approval**	-	5,000	-	5,000	-	-	0.0%					
TOTALS	137,088,879	18,783,203	69,867,724	225,739,806	128,936,028	96,803,778	57.1%					

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

Kesses Constituency

National Government Constituencies Development Fund (NGCDF)


Reports and Financial Statements for The Year Ended June 30, 2021

- i. Under utilization of funds was brought about by delay in receipt of funds from NG-CDF Board
- ii. The first tranche of funds received for 2020/21 financial year was allocated to bursary, administration, projects and monitoring and evaluation. However, due to covid challenges bursary funds were never utilised during the year thus underutilization on other grants and transfers.
- iii. Underutilization on compensation of employees was due to staff contracts which were not renewed.

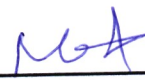
The changes between the original and final budget were as a result of reallocations within the budget and implementation of prior year activities which were funded within the current financial year FY 2019/20

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	96,803,778
Less undisbursed funds receivable from the Board as at 30th June 2021	45,088,879
	51,639,168
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	250,000
Cash and Cash Equivalents at the end of the FY 202021	51,964,899

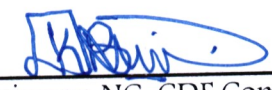
The NGCDF-Kesses Constituency financial statements were approved on 27/06/2021 and signed by:



Fund Account Manager
Name: Gloria Mwasi



National Sub-County
Accountant
Name: Mary Waa
ICPAK M/No: 7312



Chairman NG-CDF Committee
Name: John Busienei

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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,934,859	678,932	2,060,348	5,674,139	1,742,120	3,932,019
1.2 Committee allowances	1,248,000	35,000		1,283,000	936,000	347,000
1.3 Use of goods and services	3,610,940	940,487	954,905	5,506,332	2,760,099	2,746,233
Total	7,793,799	1,654,419	3,015,253	12,463,471	5,438,219	7,025,252
2.0 Monitoring and evaluation						
2.1 Capacity building	1,324,899	679,284	860,000	2,864,183	1,327,880	1,536,303
2.2 Committee allowances	1,632,000	108,083		1,740,083	1,412,000	328,083
2.3 Use of goods and services	940,000	683,000		1,623,000	895,305	727,695
Total	3,896,899	1,470,367	860,000	6,227,266	3,635,185	2,592,081
3.0 Emergency						
3.1 Primary Schools	-	1,300,000	-	1,300,000	1,300,000	-
3.2 Secondary schools	-	2,250,000	-	2,250,000	2,250,000	-
3.3 Ng-cdf office	-	776,020	-	776,020	-	-
3.4 Security projects	-	300,000	-	300,000	300,000	-
3.5 Unutilised	7,192,207		388,241	7,580,448	-	7,580,448
Total	7,192,207	4,626,020	388,241	12,206,468	3,850,000	7,580,448

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
4.0 Bursary and Social Security						
4.1 Secondary Schools	20,000,000	-	-	20,000,000	-	20,000,000
4.2 Tertiary Institutions	12,600,000	-	-	12,600,000	-	12,600,000
4.3 Social Security	2,400,000	-	-	2,400,000	-	2,400,000
4.4 Special Needs	-	-	-	-	-	-
Total	35,000,000	-	-	35,000,000	-	35,000,000
5.0 Sports						
5.1	2,097,933	3,752,464	2,603,389	8,453,786	-	8,453,786
Total	2,097,933	3,752,464	2,603,389	8,453,786	-	8,453,786
6.0 Environment						
Sosiiani primary school	100,000	-	-	100,000	-	100,000
Mugundoi primary school	100,000	-	-	100,000	-	100,000
Chebi primary school	100,000	-	-	100,000	-	100,000
Chemenei primary school	100,000	-	-	100,000	-	100,000
Bindura primary school	100,000	-	-	100,000	-	100,000
Chuiyat primary school	100,000	-	-	100,000	-	100,000
Lelmolok primary school	100,000	-	-	100,000	-	100,000
Rukuine primary school	100,000	-	-	100,000	-	100,000

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kipkorosyo primary school	100,000	-	-	100,000	-	100,000
Kapyemit primary school	100,000	-	-	100,000	-	100,000
Koiluget primary school	100,000	-	-	100,000	-	100,000
Ndungulu primary school	100,000	-	-	100,000	-	100,000
ACK St. Lukes Cheptiret Secondary school	100,000	-	-	100,000	-	100,000
Kapkoiga girls Secondary school	100,000	-	-	100,000	-	100,000
St. Catherine Girls Kesses Secondary school	100,000	-	-	100,000	-	100,000
St. Mark Teldet Secondary school	100,000	-	-	100,000	-	100,000
Kiptega Secondary school	100,000	-	-	100,000	-	100,000
Racecourse Secondary school	100,000	-	-	100,000	-	100,000
Chuiyat Chief Office	100,000	-	-	100,000	-	100,000
Kipchamo Chief Office	100,000	-	-	100,000	-	100,000
Kerita primary school	-	27,117	-	27,117	-	27,117
Kaptumo primary school	-	27,117	-	27,117	-	27,117
Keringet primary school	-	27,117	-	27,117	-	27,117
Kondoo farm9 primary	-	27,117	-	27,117	-	27,117
Teldet chuiyat primary school	-	27,117	-	27,117	-	27,117
Lelmwokwo primary school	-	27,117	-	27,117	-	27,117

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Chepkoiyo primary school	-	27,117	-	27,117	-	27,117
Koitebes primary school	-	27,117	-	27,117	-	27,117
Cheplosgei primary school	-	27,117	-	27,117	-	27,117
AIC Rev. mesis primary school	-	27,117	-	27,117	-	27,117
Sigilai primary school	-	27,117	-	27,117	-	27,117
All saints chepkigen secondary	-	27,119	-	27,119	-	27,119
Racecourse primary school	-	-	100,000	100,000	100,000	-
Kerita tulwetprimary school	-	-	100,000	100,000	100,000	-
Saroiyot primary school	-	-	100,000	100,000	100,000	-
Murgor primary school	-	-	100,000	100,000	100,000	-
Ketiptiong primary school	-	-	100,000	100,000	100,000	-
Moi university primary school	-	-	100,000	100,000	100,000	-
Kapko primary school	-	-	100,000	100,000	100,000	-
Rongai primary school	-	-	100,000	100,000	100,000	-
Matharu primary school	-	-	100,000	100,000	100,000	-
Ngeny primary school	-	-	100,000	100,000	100,000	-
Kapiranga primary school	-	-	100,000	100,000	100,000	-
Chesegem primary school	-	-	100,000	100,000	100,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Rehema primary school	-	-	100,000	100,000	100,000	-
Cheptiret primary school	-	-	100,000	100,000	100,000	-
Kerita kosvin primary school	-	-	100,000	100,000	100,000	-
Chagaiya primary school	-	-	100,000	100,000	100,000	-
Cheboror primary school	-	-	100,000	100,000	100,000	-
Kapchorua primary school	-	-	100,000	100,000	100,000	-
Racecourse Secondary school	-	-	100,000	100,000	100,000	-
Sosiani secondary school	-	-	100,000	100,000	100,000	-
Chepkoiyo Secondary school	-	-	100,000	100,000	100,000	-
Tumoge Secondary school	-	-	100,000	100,000	100,000	-
Koisagat gaa Secondary school	-	-	100,000	100,000	100,000	-
Bindura Secondary school	-	-	100,000	100,000	100,000	-
Bishop Muge Secondary school	-	-	100,000	100,000	100,000	-
Lainguse chief office	-	-	100,000	100,000	100,000	-
Total	2,000,000	325,406	2,600,000	4,925,406	2,600,000	2,325,406
7.0 Primary Schools Projects						
Sosiani primary School	2,800,000	-	-	2,800,000	-	2,800,000
Hill school primary	1,000,000	-	-	1,000,000	-	1,000,000
Rongai primary school						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	1,200,000	-	-	1,200,000	1,200,000	-
Muchorwe primary School	800,000	-	-	800,000	800,000	-
Lainguse primary School	2,500,000	-	-	2,500,000	-	2,500,000
Chagaiya primary School	800,000	-	-	800,000	-	800,000
Kapilat primary School	1,600,000	-	-	1,600,000	1,600,000	-
Chemare primary School	800,000	-	-	800,000	-	800,000
Chepkitiny primary School	800,000	-	-	800,000	800,000	-
Kapyeimit primary School	1,600,000	-	-	1,600,000	1,600,000	-
Kapchorua primary School	800,000	-	-	800,000	-	800,000
Kiptega primary School	500,000	-	-	500,000	500,000	-
Silaga primary School	2,000,000	-	-	2,000,000	2,000,000	-
Chirchir primary School	1,000,000	-	-	1,000,000	1,000,000	-
Kipkorosyo primary School	800,000	-	-	800,000	-	800,000
Cheboror primary School	250,000	-	-	250,000	250,000	-
St. cornellious tliolwo primary School	800,000	-	-	800,000	800,000	-
Barekeiwo primary School	800,000	-	-	800,000	-	800,000
Koiwoarusen primary School	1,000,000	-	-	1,000,000	1,000,000	-
Timboroa primary School	1,500,000	-	-	1,500,000	-	1,500,000
St. mathew central primary School						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	250,000	-	-	250,000	-	250,000
Rehema primary School	1,600,000	-	-	1,600,000	-	1,600,000
Mogochoret primary School	250,000	-	-	250,000	250,000	-
Seiyo primary School	1,700,000	-	-	1,700,000	1,700,000	-
Seiyo West primary School	1,600,000	-	-	1,600,000	1,600,000	-
Seiyo West primary School	200,000	-	-	200,000	-	200,000
Koitebes primary School	500,000	-	-	500,000	500,000	-
Cheptiret primary School	1,600,000	-	-	1,600,000	-	1,600,000
Keringet primary school	2,000,000	-	-	2,000,000	2,000,000	-
Lengut primary School	400,000	-	-	400,000	400,000	-
Emkwen koitebes B primary School	300,000	-	-	300,000	300,000	-
Kerita Kosyin primary School	1,600,000	-	-	1,600,000	-	1,600,000
Tulwopngetuny primary School	1,000,000	-	-	1,000,000	-	1,000,000
Chepkoiya primary School	300,000	-	-	300,000	-	300,000
Murgor primary School	500,000	-	-	500,000	500,000	-
Koisolia primary School	1,600,000	-	-	1,600,000	1,600,000	-
Asururiet primary School	200,000	-	-	200,000	200,000	-
Ngeny primary School	1,000,000	-	-	1,000,000	-	1,000,000
AIC Rev. Mesis primary School						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
	800,000	-	-	800,000	800,000	-
Tuiyobei gaa primary school	800,000	-	-	800,000	800,000	-
AIC Ruman chebuiwo primary school	1,600,000	-	-	1,600,000	1,600,000	-
Kondoo farm nine primary school	800,000	-	-	800,000	800,000	-
Lelmwokwo primary school	1,000,000	-	-	1,000,000	-	1,000,000
Kaplamai primary school	200,000	-	-	200,000	200,000	-
Lingway primary school	500,000	-	-	500,000	500,000	-
Chepkoiyo primary school	1,000,000	-	-	1,000,000	-	1,000,000
Koisaat primary school	1,000,000	-	-	1,000,000	-	1,000,000
Rukuine primary school	1,000,000	-	-	1,000,000	1,000,000	-
Sigilai primary school	250,000	-	-	250,000	-	250,000
Moi university primary school	500,000	-	-	500,000	500,000	-
Turnoge primary school	-	800,000	-	800,000	800,000	-
Tarakwa primary school	-	450,000	-	450,000	450,000	-
Oasis primary School	-	-	1,800,000	1,800,000	1,800,000	-
Racecourse primary School	-	-	1,800,000	1,800,000	1,800,000	-
Hill school primary	-	-	1,800,000	1,800,000	1,800,000	-
Rongai primary school	-	-	300,000	300,000	300,000	-
Muchorwe primary School	-	-	-	-	-	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	-	-	300,000	300,000	300,000	-
Lainguse primary School	-	-	200,000	200,000	200,000	-
Chagaiya primary School	-	-	200,000	200,000	200,000	-
Kapilat primary School	-	-	500,000	500,000	500,000	-
Chemare primary School	-	-	400,000	400,000	400,000	-
Chepkitiny primary School	-	-	200,000	200,000	200,000	-
Koriotmat primary School	-	-	200,000	200,000	200,000	-
Kapchorua primary School	-	-	200,000	200,000	200,000	-
Chereber primary School	-	-	300,000	300,000	300,000	-
Silaga primary School	-	-	300,000	300,000	300,000	-
Chirchir primary School	-	-	200,000	200,000	200,000	-
Kipkorosyo primary School	-	-	500,000	500,000	500,000	-
Kapyemit primary School	-	-	200,000	200,000	200,000	-
Cheboror primary School	-	-	200,000	200,000	200,000	-
St. catherine kahuho primary School	-	-	200,000	200,000	200,000	-
St. cornellious tilolwo primary School	-	-	400,000	400,000	400,000	-
Kamuyu primary School	-	-	400,000	400,000	400,000	-
Sambul primary School	-	-	400,000	400,000	400,000	-
Timboroa primary School	-	-	-	-	-	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
	-	-	400,000	400,000	400,000	-
Subukia primary School	-	-	250,000	250,000	250,000	-
Ndungulu primary School	-	-	250,000	250,000	250,000	-
St. Mark teldet primary School	-	-	500,000	500,000	500,000	-
Chereber primary School	-	-	200,000	200,000	200,000	-
Rehema primary School	-	-	600,000	600,000	600,000	-
Mogochoret primary School	-	-	200,000	200,000	200,000	-
Keria Tulwet primary School	-	-	400,000	400,000	400,000	-
Seiyoprimary School	-	-	200,000	200,000	200,000	-
Koitebes primary School	-	-	300,000	300,000	300,000	-
Chebii primary School	-	-	500,000	500,000	500,000	-
Kaptumo primary school	-	-	500,000	500,000	500,000	-
Kaptumo primary school	-	-	500,000	500,000	500,000	-
Chebii primary School	-	-	800,000	800,000	800,000	-
Chesegeen primary School	-	-	500,000	500,000	500,000	-
Keria primary School	-	-	500,000	500,000	500,000	-
Saroiyot primary School	-	-	600,000	600,000	600,000	-
Cheplosgei primary School	-	-	1,000,000	1,000,000	1,000,000	-
Mogobich primary School	-	-	-	-	-	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Lengut primary School	-	-	800,000	800,000	800,000	-
Emkwen koitebes B primary School	-	-	800,000	800,000	800,000	-
Kerita Kosyin primary School	-	-	1,600,000	1,600,000	1,600,000	-
Tulwopngetuny primary School	-	-	250,000	250,000	250,000	-
Kapranga primary School	-	-	500,000	500,000	500,000	-
Kapranga primary School	-	-	600,000	600,000	600,000	-
Koisolia primary School	-	-	450,000	450,000	450,000	-
Lelimolok primary School	-	-	400,000	400,000	400,000	-
Kapserton primary School	-	-	750,000	750,000	750,000	-
Tulwet primary School	-	-	700,000	700,000	700,000	-
Tuiyobei gaa primary school	-	-	1,000,000	1,000,000	1,000,000	-
AIC Ketiplongprimary school	-	-	800,000	800,000	800,000	-
St. catherine kahuho primary School	-	-	800,000	800,000	800,000	-
Kondoo farm nine primary school	-	-	250,000	250,000	250,000	-
Total	49,400,000	1,250,000	29,700,000	80,350,000	57,750,000	-
8.0 Secondary Schools Projects						
Sosiani Secondary school	1,600,000	-	-	1,600,000	1,600,000	-
Kamuyu Secondary school						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
	1,000,000	-	-	1,000,000	1,000,000	-
Chagaiya Secondary school	500,000	-	-	500,000	500,000	-
Kiptega Secondary school	2,000,000	-	-	2,000,000	-	2,000,000
Matharu Secondary school	2,000,000	-	-	2,000,000	-	2,000,000
Lainguse Secondary school	2,000,000	-	-	2,000,000	-	2,000,000
Rehema Secondary school	2,000,000	-	-	2,000,000	2,000,000	-
All Saints Chepkigen secondary School	7,000,000	-	-	7,000,000	7,000,000	-
Isaac Kosgei secondary school	300,000	-	-	300,000	300,000	-
Keringet Secondary school	500,000	-	-	500,000	500,000	-
Queen of Peace Rutkuine Secondary school	1,000,000	-	-	1,000,000	-	1,000,000
Bindura Secondary school	500,000	-	-	500,000	500,000	-
Koisagat Gaa Secondary school	1,000,000	-	-	1,000,000	-	1,000,000
Moi university Secondary school	7,000,000	-	-	7,000,000	7,000,000	-
Lingway secondary school	-	18,000	-	18,000	-	18,000
Racecourse secondary School	-	-	2,000,000	2,000,000	2,000,000	-
Rehema secondary school	-	-	2,000,000	2,000,000	2,000,000	-
Saroiyot secondary school	-	-	2,500,000	2,500,000	2,500,000	-
Sostianni Secondary school	-	-	1,600,000	1,600,000	1,600,000	-
Ndungulu Secondary school	-	-	300,000	300,000	300,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Cengalo Secondary school	-	-	2,000,000	2,000,000	2,000,000	-
Bishop Muge Secondary school	-	-	200,000	200,000	200,000	-
KoilugetSecondary school	-	-	400,000	400,000	400,000	-
Lainguse Secondary school	-	-	800,000	800,000	800,000	-
AIC Kaptumo secondary school	-	-	800,000	800,000	800,000	-
Keringet Secondary school	-	-	500,000	500,000	500,000	-
Kerita Day Secondary School	-	-	800,000	800,000	800,000	-
Lingway Secondary school	-	-	2,000,000	2,000,000	2,000,000	-
St. Michael Tuiwopngtuny Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
Tumoge Secondary school	-	-	400,000	400,000	400,000	-
Tumoge Secondary school	-	-	800,000	800,000	800,000	-
Bindura Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
Lelimolok Secondary School	-	-	1,000,000	1,000,000	1,000,000	-
Mkombozi Secondary School	-	-	500,000	500,000	500,000	-
Cheplaskai boys high School	-	-	1,000,000	1,000,000	1,000,000	-
Matharu Secondary school	-	-	250,000	250,000	250,000	-
Moi university Secondary school	-	-	200,000	200,000	200,000	-
Total	28,400,000	18,000	22,050,000	50,468,000	42,450,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
9.0 Tertiary institutions Projects						-
Total	-	-	-	-	-	22,600,000
10.0 Security Projects						-
Kondoo police station	1,308,041			1,308,041	1,300,000	-
Chuiyat Chief Office		200,000		200,000	200,000	-
Lainguse chief office		200,000		200,000	200,000	-
Kapkoï chief office			200,000	200,000	200,000	-
Kapkoï chief office			150,000	150,000	150,000	-
Kipchamo chief office			200,000	200,000	200,000	-
Kesses police station			6,300,000	6,300,000	6,300,000	-
Total	1,308,041	400,000	6,850,000	8,558,041	8,550,000	-
11.0 Acquisition of assets						-
11.1 Motor Vehicles		80,680				-
11.2 Construction of CDF office		3,761,874	1,800,841	5,562,715	3,662,623	1,824,361
11.3 Purchase of furniture and equipment		1,350,000		1,350,000	1,000,000	350,000
11.4 Purchase of computers						-
Total	-	5,192,554	1,800,841	6,912,715	4,662,623	2,174,361

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
12.0 Other payments				-		
Kesses Constituency strategic plan		19,973		19,973		19,973
Total		19,973	-	19,973		19,973
13.0 unallocated fund						
Unapproved projects						
AIA		74,000		74,000		74,000
PMC savings						
Total		74,000	-	74,000		74,000
	137,088,879	18,783,203	69,867,724	225,739,806	128,936,028	96,803,778

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

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 20th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board	AIE NO. B 047291		55,040,876
	AIE NO. B 047454		4,000,000
	AIE NO. B 041472		20,000,000
	AIE NO. B 047915		6,000,000
	AIE NO. B 049301		14,000,000
	AIE NO. B 104326		15,000,000
	AIE NO. B 096580		9,000,000
	AIE NO. B 104207		400,000
	AIE NO. B104812	500,000	
	AIE NO. B124769	1,000,000	
	AIE NO. B104943	69,367,724	
	AIE NO. B124977	8,500,000	
	AIE NO. B119832	12,000,000	
	AIE NO. B128122	11,900,000	
	AIE NO. B128434	7,000,000	
	AIE NO. B132178	6,000,000	
	AIE NO. B138846	12,000,000	
	AIE NO. B126141	9,000,000	
	AIE NO. B126433	12,600,000	
	AIE NO. B140577	12,000,000	
TOTAL		161,867,724	123,440,876

2. PROCEEDS FROM SALE OF ASSETS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	5,000	24,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	5,000	24,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,313,960	1,548,190
Personal allowances paid as part of salary		
House Allowance	162,000	108,000
Transport Allowance	144,000	96,000
Leave allowance	12,000	-
Other personnel payments- NHIF	32,400	43,050
Gratuity-contractual employees	-	377,431
Employer Contributions Compulsory national social security schemes	77,760	103,680
Total	1,742,120	2,276,351

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	44,999	-
Electricity	86,573	-
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	-	18,144
Domestic travel and subsistence	61,600	151,900
Printing, advertising and information supplies & services	1,372,601	-
Rentals of produced assets	-	-
Training expenses	1,181,800	60,000
Hospitality supplies and services	146,080	-
Other committee expenses	2,727,662	3,268,050
Committee allowance	936,000	1,213,000
Insurance costs	182,855	192,297
Specialised materials and services	-	-
Office and general supplies and services	387,260	366,400
Fuel , oil & lubricants	116,378	52,566
Other operating expenses	-	-
Bank service commission and charges	43,400	67,000
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	44,077	12,899
Routine maintenance- other assets	-	-
TOTAL	7,331,285	5,402,256

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	59,850,000	22,224,000
Transfers to secondary schools (see attached list)	43,700,000	43,878,321
Transfers to tertiary institutions (see attached list)	-	-
TOTAL	103,550,000	66,102,321

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	-	19,010,199
Bursary -Tertiary (see attached list)	-	16,730,000
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Electricity	-	5,000,000
Security Projects (see attached list)	8,850,000	1,800,000
Sports Projects (see attached list)	-	50,000
Environment Projects (see attached list)	2,600,000	1,342,480
Emergency Projects (see attached list)	200,000	5,850,000
TOTAL	11,650,000	49,782,679

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	3,662,623	5,388,964
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	290,257
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	1,000,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	4,662,623	5,679,221

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	150,000
ICT Hub	-	-
	-	150,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: Bank Balances (cash book bank balance)			
Name of Bank, Account No. & currency	Account Number	2020 - 2021	2019 - 2020
Closing cash book bank balance		Kshs (30/6/2021)	Kshs (30/6/2020)
<i>Co-operative Bank of Kenya, Eldoret Branch, Kesses NG-CDF</i>	<i>A/C no.1141443590500</i>	51,964,899	18,778,203
		-	-
		-	-
TOTAL		51,964,899	18,778,203
10B: CASH IN HAND)			
		2020 - 2021	2019 - 2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. GRATUITY

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

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	18,778,203	24,706,156
Cash in hand		
Imprest		
Total	18,778,203	24,706,156

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
	Kshs	Kshs	Kshs
Bank accounts balances	-	-	-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables (retention due to contractor reversed)	-	-	-
Others (bursary stale cheques reversed)	-	250,000	-
Total	-	250,000	-

*** Ksh.250,000 represents FY2019/2020 unrepresented stale cheques that were written back to the cash book*

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>Gratuity</i>)	722,457	-
	722,457	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	3,836,718	2,739,280
Use of goods and services	6,066,474	4,329,760
Amounts due to other Government entities (see attached list)	30,618,000	52,318,000
Amounts due to other grants and other transfers (see attached list)	54,079,220	21,745,520
Acquisition of assets	2,428,393	6,993,395
Others (<i>specify</i>)	19,973	19,973
Funds pending approval	5,000	-
	97,053,778	88,145,928

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	97,696,774	57,973,123
	97,696,774	57,973,123

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
	Sub-Total				
Construction of civil works					
2.					
	Sub-Total				
Supply of goods					
3.					
	Sub-Total				
Supply of services					
4.					
	Sub-Total				
	Grand Total				

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. Emmanuel Kiprono Sawe	Clerk of works	1.11.2018	280,224	Staff on 3 years contract
2. Philip Kiptoo Barnasai	Accounts Assistant	1.11.2018	235,897	Staff on 3 years contract
3. Benjamin Kiplanui Lagat	Driver	1.11.2018	206,336	Staff on 3 years contract
	Sub-Total		722,457	
	Grand Total			

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees				
Employee salaries	Payment of staff salaries and gratuity	3,836,718	2,739,280	
Use of goods & services	Purchase of fuel, repairs and maintenance, office rent, printing, stationery, telephone, internet, travel and subsistence, office tea.	6,066,474	4,329,760	
Amounts due to other Government entities				
Primary schools				
Sosiani primary School	Renovation of 14 classrooms to completion; floor repair, plastering, ceiling, electrical works, fixing windows & doors repair and painting.	2,800,000	-	
Hill school primary	Construction of one ablution block to be connected to existing sewer line (flush toilet) to completion consisting of 10 doors for girls	1,000,000	-	
Lainguse primary School	Renovation of 8 classrooms to completion; Roof replacement, fixing windows and doors, floor works, plaster and painting	2,500,000	-	
Chagaiya primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting	800,000	-	
Chemare primary School	Construction of one classroom to completion	800,000	-	
Kapchorua primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting	800,000	-	
Kipkorosyo primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting	800,000	-	
Barekeiwo primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting	800,000	-	
Timboroa primary School	Renovation of 5 classrooms to completion; roof replacement, fixing windows and doors, floor works, plaster and painting	1,500,000	-	
St. atthew central primary School	Purchase of 100 pupils desks	250,000	-	
Rehema primary School	Construction of two classrooms to completion	1,600,000	-	
Seiyo West primary School	Purchase of 80 pupils desks	200,000	-	
Cheptiret primary School	Construction of 2 classrooms to completion		-	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
		1,600,000	-	
Kerita Kosyin primary School	Construction of 2 classrooms to completion	1,600,000	-	
Tulwopgetuny primary School	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	-	
Chepkoiya primary School	Construction of 2 door pit latrine for special pupils to completion	300,000	-	
Ngeny primary School	Construction of administration block comprising of 4 roomed offices and staffroom(Phase 1): foundation, walling, roofing, windows and doors.	1,000,000	-	
Lehmwokwo primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	-	
Chepkoiyo primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	-	
Koisagat primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	-	
Sigilai primary school	Purchase of 100 pupils desks	250,000	-	
Oasis primary School	Renovation of 9classrooms and office to completion ; floor repair, plastering, windows& doors repair and painting.	1,800,000	-	
Racecourse primary School	Construction of 2ablution blocks (flush toilet) to completion; 1block consisting of 20doors for girls (1,000,000) and another block consisting of 16doors for boys(800,000) and to be connected to existing sewer line	1,800,000	-	
Hill school primary	Renovation of 9 classrooms to completion; floor repair, ceiling, plastering, fixing windows & doors and painting.	1,800,000	-	
Rongai primary school	Completion of one classroom; plastering, windows and doors fixing, flooring, ceiling and painting	300,000	-	
Muchorwe primary School	Completion of a classroom; plastering, windows and doors fixing, flooring, ceiling and painting	300,000	-	
Lainguse primary School	Completion of a classroom; windows and doors fixing, floor, ceiling and painting	200,000	-	
Chagaiya primary School	Completion of a classroom; windows and doors fixing, floor, ceiling and painting	200,000	-	
Kapilat primary School	Completion of 2classrooms; windows and doors fixing, floor, ceiling and painting	400,000	-	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Chemare primary School	Completion of a classroom; windows and doors fixing, floor, plastering and painting	-	200,000	
Chepkitiny primary School	Completion of classroom; plaster, windows and doors fixing, floor, and painting	-	200,000	
Koriomat primary School	Completion of 4door pit latrine; plastering, floor and painting	-	200,000	
Kapchorua primary School	Completion of 6door pit latrine; walling, roofing, plastering, floor and painting	-	300,000	
Chereber primary School	Completion of a classroom; plastering, windows and doors fixing, floor, ceiling and painting	-	300,000	
Silaga primary School	Completion of 2classrooms; windows and doors fixing, floor, ceiling and painting	-	400,000	
Chirchir primary School	Construction of 2door pit latrine to completion.	-	200,000	
Kipkorosyo primary School	Construction of 5door pit latrine for boys to completion.	-	500,000	
Kapyemit primary School	Construction of 2door pit latrine to completion.	-	200,000	
Cheboror primary School	Construction of 2door pit latrine to completion.	-	200,000	
St. catherine kahuho primary School	Construction of 2door pit latrine to completion.	-	200,000	
St. cornellious tilolwo primary School	Construction of 4door pit latrine to completion.	-	400,000	
Kamuyu primary School	Construction of 4door pit latrine to completion.	-	400,000	
Sambul primary School	Construction of 4door pit latrine to completion.	-	400,000	
Timboroa primary School	Construction of 4door pit latrine to completion.	-	400,000	
Subukia primary School	Purchase of 100 3seater pupils desks	-	250,000	
Ndungulu primary School	Purchase of 100 3seater pupils desks	-	250,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
St. Mark teldet primary School	Construction of 5door pit latrine to completion.	-	500,000	
Chereber primary School	Purchase of 80 3seater pupils desks	-	200,000	
Tarakwa pry	Completion of dormitory; plaster floor; plumbing, electrical works	-	450,000	
Turnoge pry	Completion of administration block, plaster floor, doors, windows, electrical works, painting	-	800,000	
Rehema primary School	Renovation of 3classrooms to completion; fixing window panes, floor works, doors, ceiling and painting	-	600,000	
Mogochoret primary School	Construction of 2door pit latrine to completion.	-	200,000	
Kerita Tulwet primary School	Construction of 4door pit latrine to completion.	-	400,000	
Seiyoprimary School	Construction of 2door pit latrine to completion.	-	200,000	
Koitebes primary School	Construction of 3door pit latrine to completion.	-	300,000	
Chebii primary School	Construction of 5door pit latrine to completion.	-	500,000	
Kaptumo primary school	Construction of 5door pit latrine to completion.	-	500,000	
Kaptumo primary school	Renovation of 5classrooms to completion; floor repair, plastering and painting.	-	500,000	
Chebii primary School	Renovation of 5classrooms to completion; floor repair, plastering, windows & doors repair and painting.	-	800,000	
Chesegeen primary School	Renovation of 5classrooms to completion; floor repair, plastering and painting.	-	500,000	
Kerita primary School	Renovation of 5classrooms to completion; floor repair, plastering and painting.	-	500,000	
Saroiyot primary School	Renovation of 4classrooms to completion; floor repair, plastering, doors repair, fixing window panes, keying and painting.	-	600,000	
Cheplosgei primary School	Renovation of 10classrooms to completion; floor repair, plastering and painting.	-	1,000,000	
Mogobich primary School	Construction of one classroom to completion	-	800,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Lengut primary School	Construction of one classroom to completion	-	800,000	
Emkwen koitebes B primary School	Construction of 2classrooms to completion	-	1,600,000	
Kerita Kosyin primary School	Purchase of 100 3seater pupils desks	-	250,000	
Tulwopngetuny primary School	Construction of 5door pit latrines for boys to completion	-	500,000	
Kapranga primary School	Construction of 6door pit latrines for pupils to completion	-	600,000	
Kapranga primary School	Renovation of 3classrooms to completion; floor repair, plastering, ceiling, fixing window panes and painting	-	450,000	
Koisolia primary School	Renovation of 4classrooms to completion; floor repair, plastering, fixing window panes and painting	-	400,000	
Lelmolok primary School	Renovation of 7classrooms to completion; floor repair, plastering, fixing window panes and painting	-	750,000	
Kapserton primary School	Renovation of 5classrooms to completion; floor repair, plastering, ceiling, fixing window panes and painting	-	700,000	
Tulwet primary School	Renovation of 8classrooms to completion; floor repair, plastering, fixing window panes and painting	-	1,000,000	
Tuiyobei gaa primary school	Construction of one classroom to completion	-	800,000	
AIC Ruman chebuiywo primary school	Construction of one classroom to completion	-	800,000	
AIC Ketiplong primary school	Construction of one classroom to completion	-	800,000	
Kondoo farm nine primary school	Construction of one classroom to completion	-	800,000	
Secondary schools				
Kiptega Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000	-	
Matharu Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000	-	
Lainguse Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000	-	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Queen of Peace Rukwine Secondary school	Construction of 200 students capacity dining and multipurpose hall (Phase 1); foundation, walling to lintel level.	1,000,000	-	
Koisagat Gaa Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling and roofing	1,000,000	-	
Lingway Secondary school	Construction of dining hall and kitchen	18,000	18,000	
Racecourse secondary School	Completion of one storey administration block consisting of 17offices and 8door flush toilet; plastering, wiring, keying and painting	-	2,000,000	
Sosiani Secondary school	Construction of 2classrooms to completion	-	1,600,000	
Ndungulu Secondary school	Renovation of a classroom to completion; plastering, windows and doors fixing, floor , ceiling and painting	-	300,000	
Cengalo Secondary school	Additional funds for Construction of kitchen (phase 2): walling, roofing, plastering, doors and windows fixing and painting	-	2,000,000	
Bishop Muge Secondary school	Construction of 2 door pit latrine to completion.	-	200,000	
KoilugyetSecondary school	Construction of 4door pit latrine to completion.	-	400,000	
Lainguse Secondary school	Construction of one classrooms to completion.	-	800,000	
Rehema Secondary school	Completion of 40 students capacity single laboratory; working tables and stools, sinks water tank, gas piping and plumbing works, electrical works and fume chamber	-	1,000,000	
Saroyot secondary School	Completion of 40 students capacity single laboratory; working tables and stools, sinks water tank, gas piping and plumbing works, electrical works and fume chamber	-	2,500,000	
AIC Kaptumo secondary school	Construction of one classroom to completion	-	800,000	
Keringet Secondary school	Purchase of 100 lockers and 100 chairs for pupils	-	500,000	
Kerita Day Secondary School	Purchase of library furniture (30 tables -300,000, 100 chairs-200,000 and 12 book shelves-300,000)	-	800,000	
Lingway Secondary school	Completion of 200 student capacity dining hall and kitchen: walling, roofing, doors and windows fixing, plastering,	-	2,000,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	electrical works, plumbing works, floor works and painting			
St. Michael Tulwopngetyuny Secondary school	Completion of administration block consisting of 6offices; plastering, floor, ceiling, doors, windows, electrical works and painting	-	1,000,000	
Tumoge Secondary school	Completion of 40student capacity single laboratory; Floor works- terrazo, ceiling and painting	-	400,000	
Tumoge Secondary school	Completion of administration block consisting of 5offices; floor, shelves, doors, windows, electrical works and painting	-	800,000	
Bindura Secondary school	Completion of administration block consisting of 6offices; plastering, floor, ceiling, doors, windows, electrical works and painting	-	1,000,000	
Lelmolok Secondary School	Construction of administration block phase 1 consisting of 5offices; foundation, walling and roofing	-	1,000,000	
Mkumbozi Secondary School	Construction of 5door pit latrine to completion.	-	500,000	
Cheplaskai boys high School	Additional funds for Construction of 200 student capacity dormitory (Phase 2); walling, roofing, plastering and electrical works	-	1,000,000	
Moi university Secondary school	Purchase of 40 lockers and 40 chairs for pupils	-	200,000	
Sub-Total		40,521,192	59,387,040	
Amounts due to other grants and other transfers				
Security				
Kondoo police station	Fencing of 3.5 acres land with concrete poles, barbed wire and wiremesh (1,230,000) and erection of gate (78,041)	8,041	-	
Lainguse chief office	Construction of 2door toilet	-	200,000	
Chuiyat chief office	Construction of 2door toilet	-	200,000	
Kapkoi chief office	Construction of 2door pit latrine to completion.	-	200,000	
Kapkoi chief office	Purchase of office furniture; 1 executive table(25,000) and chair(15,000), 3tables(60,000), 3chairs(30,000), 4 benches (20,000)	-	150,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Kipchanno chief office	Construction of 2 door pit latrine to completion.	-	200,000	
Kesses police station	Construction of administration block phase 1 consisting of 13offices and 8door flush toilet; foundation, slab, walling, roofing, fixing doors and windows(5,600,000) fencing of approximately 2 acres with concrete poles, wiremesh and barbed wire with a gate (700,000)	-	6,300,000	
Environment				
Kerita primary school	planting 1000 trees and fencing	27,117	27,117	
Kaplumo primary school	planting 1000 trees and fencing	27,117	27,117	
Keringet primary school	planting 1000 trees and fencing	27,117	27,117	
Kondoo farm ⁹ primary	planting 1000 trees and fencing	27,117	27,117	
Teldet chuizat primary school	planting 1000 trees and fencing	27,117	27,117	
Lelmwokwo primary school	planting 1000 trees and fencing	27,117	27,117	
Chepkoiyo primary school	planting 1000 trees and fencing	27,117	27,117	
Koitebes primary school	planting 1000 trees and fencing	27,117	27,117	
Cheplosgei primary school	planting 1000 trees and fencing	27,117	27,117	
AIC Rev. mesis primary school	planting 1000 trees and fencing	27,117	27,117	
Sigilai primary school	planting 1000 trees and fencing	27,117	27,117	
All saints chepkigen secondary	planting 1000 trees and fencing	27,119	27,119	
Sosiari primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Mugundoi primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	water.			
Chebii primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Chemenei primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Bindura primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Chuiyat primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Lelmolok primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Rukuine primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Kipkorosyo primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Kapyemit primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Koiluget primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Ndungulu primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
ACK St. Lukes Cheptiret Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Kapkoiga girls Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
St. Catherine Girls Kesses Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
St. Mark Teldet Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Kiptega Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Racecourse Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	100,000	-	
Racecourse primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Kerita tulwetprimary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Saroiyot primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	rain water.			
Murgor primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Ketiulong primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Moi university primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Kapkoi primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Rongai primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Matharu primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Ngeny primary school	Purchase and planting of tree seedlings	-	100,000	
Kapranganga primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Chesegem primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Rehema primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Cheptiret primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Kerita kosyin primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Chagaiya primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Cheboror primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Kapchorua primary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Racecourse Secondary school	Purchase and planting of 1000 tree seedlings	-	100,000	
Sosiani secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Chepkoiyo Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Tumoge Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Koisagat gaa Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Bindura Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	rain water.			
Bishop Muge Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Lainguse chief office	Purchase and installation of 5,000 litres water tank to harvest rain water.	-	100,000	
Constituency sports tournament	Carry out Constituency Sports tournament, and winning teams to be awarded with games kits, trophies and balls	8,453,566	6,355,853	
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	8,292,207	5,214,261	
Bursary Secondary Schools	Payment of bursary to needy students	20,000,000	-	
Bursary Tertiary Schools	Payment of bursary to needy students in tertiary institutions and technical schools	12,600,000	-	
Social security program	Payment of medical insurance cover (NHIF) for 400 vulnerable families within the constituency	2,400,000	-	
Sub-Total		54,079,220	21,745,520	
Acquisition of assets				
Ng-cdf office	Construction of Ng-cdf office	1,997,713	5,562,715	
Constituency Motorcycle	Purchase of constituency motorcycle to be used by clerk of works in supervision of projects	59,743	59,743	
Motor vehicle	Purchase of constituency motor vehicle to assist the NGCDF to conduct monitoring	20,937	20,937	
Office equipment	Purchase of office furniture; executive conference table, 16 executive chairs, 1 executive table, 3 office tables, 3 office chairs, 2 wooden cabinets (1,000,000). Purchase of 4 desktop computers (250,000), 40TV (50,000), office telephone networking (50,000).	350,000	1,350,000	
Others (specify)				
Strategic plan	Development of 5 year constituency strategic plan	19,973	19,973	
		-	-	
		-	-	
Sub-Total		2,428,393	7,013,368	
Funds pending approval		5,000	-	
Grand Total		97,053,778	88,145,928	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	5,388,964	3,662,623	-	9,051,587
Transport equipment	10,559,857	-	-	10,559,857
Office equipment, furniture and fittings	618,498	1,000,000	-	1,618,498
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	16,567,319	4,662,623	-	21,229,942

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

PMC Name	Bank	A/C Number	Balance as at 30/6/2021	Balance as at 30/6/2020
koitebes pry	Co-operative	01141440957700	526,844.00	600,294
oasis pry	Co-operative	01141673444100	197,636.50	383,209.50
sosiani pry	Co-operative	01141673872400	1,849.50	1,849.50
saroiyot pry	Co-operative	011418102298600	55,780.00	829,565
murgor pry	Co-operative	01141810276100	677,084.25	800,035.25
asururiet pry	Co-operative	01141440095702	557,242.50	823,295.50
chesunet pry	Co-operative	01141443670100	1,185.00	601,065
nabkoi boys boarding	Co-operative	01141442103400	1,028,819.81	1,028,819.81
chuiyat pry	Co-operative	01141672532200	13,564.50	1,100,862.50
AIC Rev mesis	Co-operative	01141672756900	1,595,908.50	797,958.50
chemenei pry	Co-operative	01141443223500	30,239.50	506,362.50
Aic Ruman pry	Co-operative	01139443844500	1,682,328.50	772,907.50
Toror pry	Co-operative	01139442730100	46,388.00	502,241
mugundoi pry	Co-operative	01141442103400	393,050.00	-
kapyemit pry	Co-operative	01141442103400	1,696,438.70	-
kaptumo sec	Co-operative	01141673528700	896,095.50	1,012,312.50
lingway sec	Co-operative	01141673452000	2,099,941.55	1,391,810.50
seiyo sec	Co-operative	01141440093300	2,883,218.50	3,015,801.50
bindura sec	Co-operative	01141672522800	1,509,043.50	53,425.50
rehema sec	Co-operative	011414438003400	2,163,521.50	1,089,244.50
chagaiya sec	Co-operative	01141442714000	542,131.50	1,276,565.50
barekeiwo sec	Co-operative	01139440906400	156,360.00	1,660,950
koiwoarusen sec	Co-operative	01141674019700	21,090.00	7,022,170
koisagat sec	Co-operative	01139443402800	456,007.50	802,427.50

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Lainguse chief	Co-operative	01141674116200	121,105.00	68,030
Chuiyat chief off	Co-operative	01141673845400	49,647.50	820,524.50
kipchamo chief office	Co-operative	01141958686600	17,877.00	-
kapkoi chief office	Co-operative	01141958684800	17,823.00	-
tumoge primary	Co-operative	01141441868000	1,358,091.95	-
lainguse secondary	Co-operative	01141673447700	399,915.50	-
cheboror primary	Co-operative	01141443729000	590,629.00	-
chereber primary	Co-operative	01139441123500	555,761.00	-
kisolia primary	Co-operative	01141958696200	1,978,975.00	-
tuiyobei gaa primary	Co-operative	01139442147000	1,868,127.00	-
kapserton primary	Co-operative	01141046298500	701,742.00	-
lelmolok primary	Co-operative	01141958746200	1,248,975.00	-
rongai primary	Co-operative	01141674196600	1,308,922.50	-
lengut primary	Co-operative	01141810260800	1,494,726.00	-
ndungulu secondary	Co-operative	01139046066802	304,100.00	-
kaptumo primary	Co-operative	01141880074900	117,661.00	-
st. cornelius tilolwo pry	Co-operative	01141045069100	838,017.00	-
chagaiya primary	Co-operative	01141443753000	364,202.50	-
kiptega secondary	Co-operative	01141672218100	1,758,346.50	-
ketiplong primary	Co-operative	01139045905901	870,010.00	-
keringet secondary	Co-operative	01141443731900	534,437.11	-
lainguse primary	Co-operative	01141440496600	231,433.50	-
racecourse primary	Co-operative	01141443751100	33,068.00	-
kerita kosyin pry	National	10240027774901	332,332.57	493,549
Aic tulwet sec	National	1021030761802	1,832.00	1,501,068.57
AIC Isaac kosgei	National	1025028640702	320,797.00	1,001,081

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kondoo farm nine	National	1024091719200	1,209,801.00	57,502
koriomat primary	National	1024028396001	200,059.00	-
kerita pry	Sidian	1008030000421	524,857.00	981,000
mogochoret pry	Sidian	1008030000383	269,758.59	-
kerita tulwet pry	KCB	1171020082	958,894.00	-
bishop muge sec	KCB	1152096419	551,455.50	-
kerita day sec	KCB	1234305291	824,459.50	250,480
matharu sec	KCB	1236047443	289.00	-
chepkoiyo sec	KCB	1157528805	654.00	958,894
kiptega primary	KCB	1255442453	517,242.00	2,323,603.50
Hill school girls	KCB	1129707407	4,042.50	855,783.50
chuchuniat pry	Equity	1090297423785	1,284,255.00	800,855
koiluget pry	Equity	300297864171	591,033.50	1,019,815
boror pry	Equity	1090297628384	309,668.00	-
st mark teldet sec	Equity	300262296784	7,895.98	-
chepkitiny primary	Equity	300262689113	820,348.00	7,158,657.50
chebii primary	Equity	300299053109	113,226.00	1,284,255
racecourse sec	Access	65231001	568,610.60	1,437,039.50
Kesses Police Station	Co-operative	O1141647036000	6,113,078.00	1,433,729
Chesegem Primary School	Co-operative	O1141673751500	599,676.76	1,589,006.60
Kapranga Primary School	Co-operative	O1141958617400	790,313.00	-
Ngeny Primary School	Co-operative	O1141443589500	45,680.00	-
St. Catherine Kahuho pri. School	Co-operative	O1141086036400	428,086.50	7,865,076.80

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Tarakwa primary School	Co-operative	O1141086570600	16,729.36	
Muchorwe primary School	Co-operative	O1141443696100	22,858.50	
Ndungulu Primary School	Co-operative	O1141046771600	253,795.50	
Emkwen Koitebes B Primary School	Co-operative	O1141674518500	927,087.15	
Seiyo Primary School	Co-operative	O1141958713700	1,898,975.00	
Hill School Primary School	Co-operative	O1141880305600	423,536.15	
Chirchir Primary School	Co-operative	O1139441814700	1,200,620.00	
Sambul Primary School	Co-operative	O1139441760601	405,206.00	
Chemare Primary School	Co-operative	O1141673777600	408,157.50	
Tulwopng'etuny Primary School	Co-operative	O1141674044900	476,405.00	
koiwarusen primary school	Co-operative	O1139441841000	1,006,432.75	
murgorprimary school	Co-operative	O1141810276100	677,084.25	
Rukuine primary school	Co-operative	O1141673779200	1,000,017.50	
keringet Primary school	Co-operative	O1139441978900	2,001,430.00	
seiyo west primary school	Co-operative	O1141958747500	1,600,000.00	
Tulwet primary school	Co-operative	O1139441595400	1,001,590.00	
Koiluget Seconadry school	Co-operative	O1139442709901	482,375.70	
Kamuyu seconadry school	Co-operative	O1141672551900	1,004,009.50	
All saints chepkigen secondary school	Co-operative	O1141672579400	7,001,870.50	
Saroiyot secondary	National	01025081888802	640,612.00	
Tumoge secondary	National	01025062982302	1,010,845.00	
Moi university secondary	National	01022208277201	7,201,000.00	

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Mkombozi secondary	National	01025029093902	227,235.25	
Sosiani secondary	National	01025073353402	2,490,746.00	
Lelmolok secondary	National	01025027932303	1,403,387.15	
St. Michael tulwopngetuny sec	National	01025030750000	85,024.70	
Kapilat primary	National	01024017993400	1,603,807.50	
Moi university primary	National	01024027998602	504,163.00	
Subukia primary	National	01024028222901	304,454.00	
Mogobich primary	National	01024027996001	48,986.05	
Timboroa primary	National	01022028244400	48,660.00	
Rehema primary	National	01024028600401	87,377.00	
Cheplosgei primary	National	01024027618901	1,001,190.00	
Kipkorosyo primary	Sidian	01008030002041	845,510.00	
Kapkoi primary	Sidian	01008030007604	6,122.27	
Kaplamai primary	Sidian	01008030008287	201,519.03	
Cengalo secondary	Sidian	01008030005776	410,525.00	
Kapchorua primary	Equity	0300263840994	300,007.90	
Silaga primary	Equity	1090262607281	2,005,543.00	
Matharu primary	KCB	1156628660	100,137.50	
Cheplaskei boys secondary	KCB	1170830927	1,464,044.00	
Kamuyu primary	KCB	1234291223	382,039.50	
St. marks teldet primary	Access	0220130000054	28,635.00	
cheptiret primary	Equity	0300299053109	103,316.00	
			97,696,774.08	57,973,124

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6.0 Project Management Committee Bank Balances	Annex 5 to the financial statements reflect reflects project management committee (PMC) bank balances amounting to Kshs.57,973,123as at 30 June 2020 held in forty one (41) bank accounts in various commercial banks. However, cash books, bank reconciliation statements, certificates of bank balance and bank statements for the forty one (41) bank accounts have not been availed for audit review. Further, during the year, a total of Kshs.123, 755,977 was disbursed to one hundred and eighty seven (187) projects an indication of non-disclosure of some project management bank balances as at 30 June 2020	Section 36 of NG-CDF act 2015 provides that projects under the Act will be implemented by the project management Committee. Part 1 (2) states “project management committee” means a committee or board of persons elected or nominated to implement a project or manage an institution, including a committee existing prior to the establishment of the Fund and which is assuming the responsibility of implementing a project funded under the Act; The funds were disbursed as grants to the various Project Management	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
6.0 Un resolved Prior Year Audit Issues	As reported in the previous year, Land Rover Puma was purchased 12 May 2014 from CMC Motors Ltd at cost Kshs.4,800,000 which is included in summary of fixed assets register figure of Kshs.10,760,068 disclosed in annex 4 to the financial statement for the year ended 30 June 2019. Available information indicates that the vehicle developed mechanical problems. The Ministry of Transport carried out an inspection on 13 July 2016 and the report shows that the	<p>The Committees. responsibility of preparing various books of accounts is at the project level. The existence, accuracy and validity and completeness of the PMC bank balances as at 30 June 2020 was collated from the PMC's Bank statements</p> <p>Enclosed find copies of bank certificates of bank balances as at 30th June.</p>	Not resolved	December 2021
6.11 Verification of Motor Vehicle		<p>The management has planned to negotiate with Exceeding auto garage and have the vehicle released. Log book for the vehicle is being followed up at the NG-CDF Board-----</p>	Not resolved	December 2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>vehicle required an engine overhaul at an estimated cost of Kshs.600,000. The CDF management floated quotations and M/S Exceeding Auto Garage was awarded the contract at a total cost of Ksh.557,727 to repair the vehicle. After repairs, the vehicle was released for testing and it again developed a mechanical problem and was again taken back to the same garage on 13 July 2016. However, the management of the garage demanded payment of Kshs.557,727 for the initial repairs before any further work could be done. On 6 May 2019, Complaints Resolution Committee vide minute Nho. Kesses NG CDFC/02/6 May 2019 indicates that mechanical inspection report estimated the cost of repairing the vehicle at Kshs.3,191,730 which was uneconomical and they resolved not to pay the garage because of lack of LSO and inspection report from mechanical department.</p>	<p>The motor vehicle registration log book and vehicles last work ticket were not availed for audit review and</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>existence of vehicle was not physically verified and therefore the existence of the vehicle could not be confirmed. During the year under review, the existence of vehicle was also not physically verified.</p>			
6.12 Purchase of motor vehicle	<p>As reported in the previous year, the fund management purchased motor vehicle at cost of Kshs.5,469,600 during the year ended 30 June 2019. Available information shows that CDF management purchased a Toyota Hilux double Cab competitively from M/s Bhogals Toyota Nakuru on 16 January 2019 vide payment voucher no. 1970 and the vehicle was delivered on 01 February 2019 after pre-delivery inspection by the Ministry of Transport. However, the motor vehicle registration log book was not availed for audit review and therefore ownership could not be confirmed.</p>	<p>Attached find registration certificate issued on 11th January 2019</p>	Resolved	