

**REPORT**

THE NATIONAL ASSEMBLY

DATE: 23 NOV 2022 Wednesday

**OF**

TABLED BY:	Majority whip
CLERK-BY:	Mado
DATE-TABLED:	

**THE AUDITOR-GENERAL**

**ON**

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

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

Revised Template 30<sup>th</sup> June 2021



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100 NAIROBI  
REGISTERED  
29 SEP 2021  
**RECEIVED**

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**SAMBURU WEST CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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

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

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

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**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

The Samburu West 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 30<sup>th</sup> June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Isaak Hassan Adan
2.	Sub-County Accountant	John Obonsi
3.	Chairman NGCDFC	Isaiah Letunta
4.	Member NGCDFC	Violet Lelekong

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 450 - 20600  
NG - CDF Office Building  
Maralal - Baragoi Road  
**MARALAL**

**(f) NG – CDF Samburu West Constituency Contacts**

Telephone: (254) 720 907 270  
E-mail: [iadan@ngcdf.go.ke](mailto:iadan@ngcdf.go.ke) / [samburuwestcdf@gmail.com](mailto:samburuwestcdf@gmail.com)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(g) NG – CDF Samburu West Constituency Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI**
  
2. Equity Bank  
Maralal Branch  
Account No: 1100276511144  
P.O. Box 300 – 20600  
**MARALAL**

**(h) Independent Auditors**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084 - 00100  
**NAIROBI**

**(i) Principal Legal Adviser**

The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112 - 00200  
**NAIROBI**

## II. NG-CDF CHAIRMAN'S REPORT



**ISAIAH K. LETUNTA**  
**Chairman NGCDF Samburu West**

The Constituency was able to absorb funds up to 64%. This was partly due to late receipt of funds for Financial Year 2020/2021. The NG-CDF Board sent the last half of Financial Year 2020/2021 in July, hence it wasn't possible to absorb the second half within the Financial Year.

The budget for the constituency for 2020/2021 was Kshs 137,088,879 and there was an opening balance of Kshs 8,780,644 and Kshs 69,367,724 received for last financial year making a total budget of 215,237,246. The constituency made payments totalling Kshs 143,488,837 being equivalent to 64% absorption rate.

The Constituency has done well in terms of project implementation. Among successful projects is a number of classrooms and Administration blocks for primary schools. During the year under review the Constituency has done staff houses for police and office for a chief. The NG-CDF have improved the Education and security infrastructures in Samburu West Constituency.

Some challenges affecting project implementation is the late disbursement of funds, late approval of proposals and reallocations. The constituency is also very sparse and almost all the schools have very poor infrastructures. The issue of early marriages and female genital mutilation (FGM) is also rampant in the constituency.

The constituency has developed and launched a five-year strategic plan to address the above challenges. The plan will assist in developing infrastructures in Education institutions and security agencies in the Constituency.

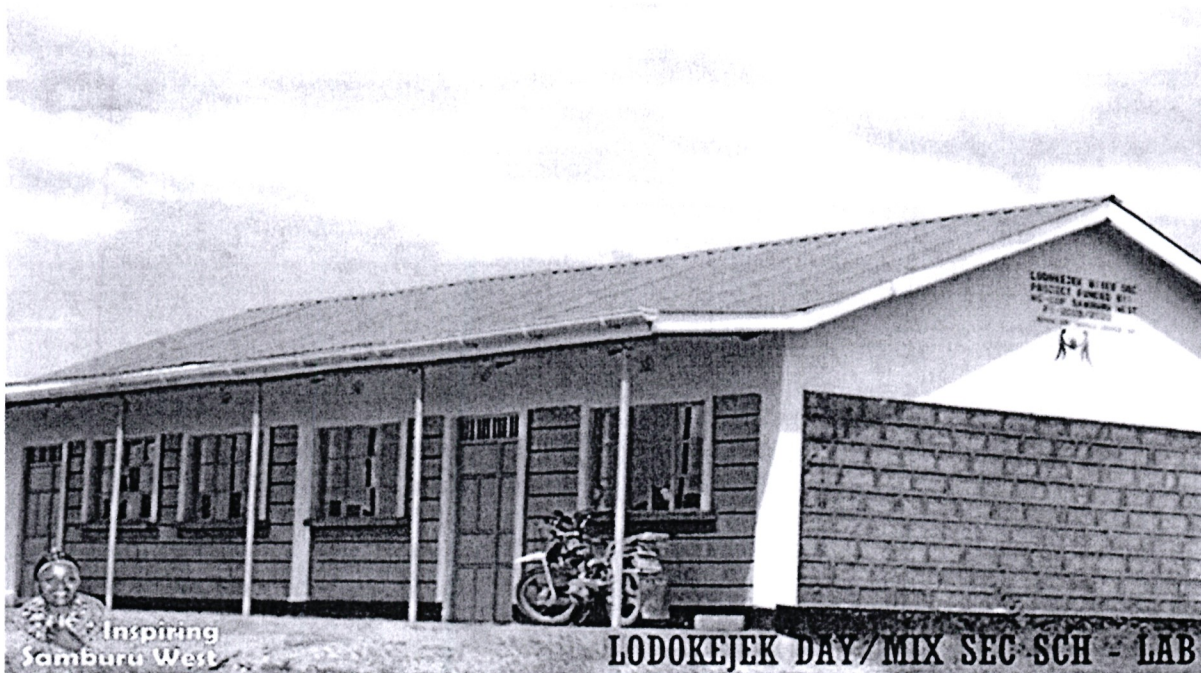
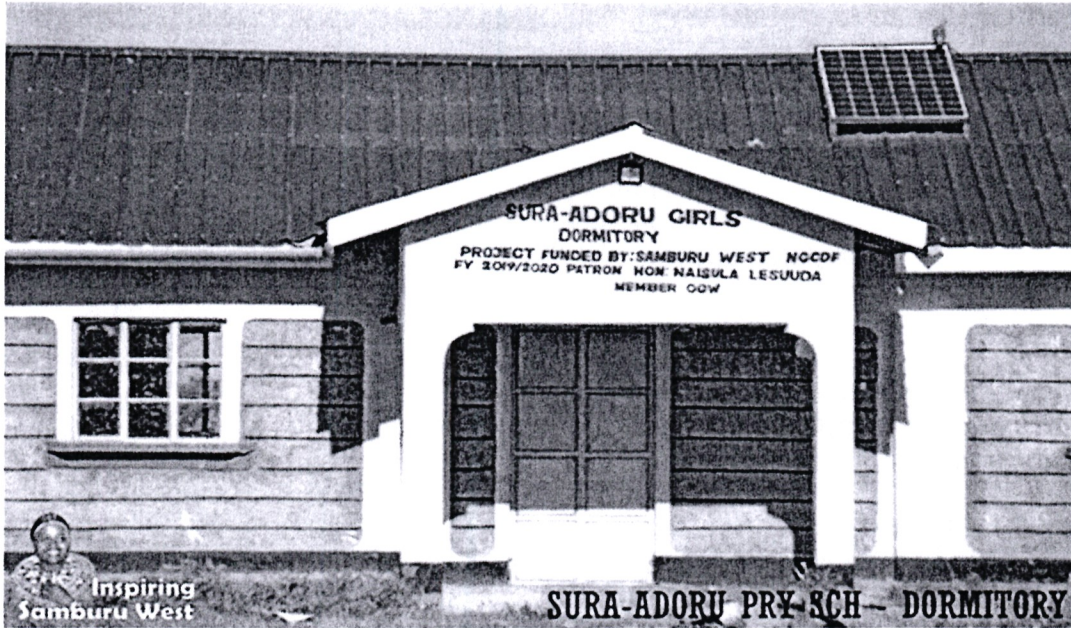
The NG-CDF Samburu West Committee is also having periodical ward meetings to build capacity of the constituents in understanding the operations of the fund.

The NG-CDF Committee has come up with measures to ensure projects are completed within a financial year i.e. no issue of on-going projects.

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The constituency is doing capacity building of NG-CDF Committees and the Project Management Committees in areas of project planning, implementation, monitoring and evaluation. The Committees have also been trained in Risk management and control.



*Isaiah K. Letunta*

**Isaiah K. Letunta**  
**Chairman NGCDF Committee-Samburu West**

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**III. STATEMENT OF NGCDF SAMBURU WEST 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 NGCDF Samburu West in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the Fund's performance against predetermined objectives.

The key development objectives of NGCDF-Samburu West Constituency's 2018-2022 plan are to:  
**Strategic objectives as per the Samburu West Strategic plan**

- a) Enhanced security and peaceful co-existence
- b) Improved access to quality affordable education for all school going children in the constituency
- c) Quality universal health care access
- d) Integrated robust infrastructure
- e) Sustainable environment for responsive development
- f) Mainstreaming of climate change, disaster risk reduction and other crosscutting issues

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improved access to quality affordable education for all school going children in the constituency	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - Number of bursaries beneficiaries at all levels	In FY 20/21 -We increased number of classrooms by 20. Dormitories by 2. Administration blocks by 2 and teacher houses by 2 - Bursary beneficiaries were 5200 secondary, 300 universities and colleges 700
Security	Enhanced security and peaceful co-existence	Enhanced security infrastructure through construction/ improving police stations,	Construction of Chief offices and toilets for Police stations.	Increased number of chiefs offices by 2 and 2 police lines

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Constituency Program	Objective	Outcome	Indicator	Performance
		AP camps and patrol bases		
Environment	Sustainable environment for responsive development	Assist the community groups to acquire necessary facilities to conserve environment and other social amenities	Enhanced tree planting and provision of water tanks to conserve environment	Increased number of schools with water tanks by 11 (10,000 ltrs water tanks)
Disaster Management	Mainstreaming of climate change, disaster risk reduction and other crosscutting issues	Support establishment of PWDs friendly infrastructure in public institutions at all levels	Making sure all buildings done by Samburu West NG-CDF have provisions for persons with disabilities	increased 20 schools classrooms, 2 dormitories, 2 administration blocks and 2 chiefs offices with provisions of ramps and other needs for PWDs

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#### **IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

NGCDF – Samburu West Constituency 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**

**NG-Samburu West CDF has implemented sustainability strategy and profile in the following ways:-**

- i. Implementation of the constituency strategic plan.
- ii. All stakeholders envisaged to per take in the implementation of the prioritized projects.
- iii. Preparation of constituency annual workplan and its implementation.
- iv. Preparation of annual procurement plan and its implementation.
- v. Preparation of constituency service charter and its implementation.

##### **2. Environmental performance**

**NG-Samburu West CDF has implemented environmental performance in the following ways:-**

- i. Assisting schools in acquiring tree seedlings for environmental conservation.
- ii. Assisting schools in purchasing water tanks to conserve water.
- iii. Procuring dustbins for schools for waste management.
- iv. Assisting schools with connections to sewerage systems for waste management.

##### **3. Employee welfare**

**The NG-CDF Samburu West has implemented employee welfare in the following ways:-**

- i. Annual training plans for employees.
- ii. Hiring staff by considering 30% gender rule.
- iii. Insuring staff with annual leaves.
- iv. Providing staff with T-shirts with organization logo
- v. Providing staff with Constituency I.D. cards for identification purposes.
- vi. Having staff appraisal annually and rewarding best performing staff.
- vii. Staff training on new skills.

##### **4. Market place practices**

**The NG-CDF office has implemented best market practices in the following ways:-**

- i. Pre-qualifying contractors/ suppliers annually.
- ii. Awarding tenders competitively and fairly as per procurement guidelines and regulations.
- iii. Advertising for works competitively.
- iv. Having complaints resolution committee to resolve procurement complaints.
- v. Honouring of contracts by making sure the suppliers/ contracts are paid as per their contract agreements.
- vi. Reserving 30% tenders for youths, women and PWD's.

**5. Community Engagements**

**The constituency has implemented community engagements in the following ways:-**

- i. Having community participation forums.
- ii. Handing over of projects to communities for sustainability and project security.
- iii. Organization of constituency sports tournament to promote youth talents and promote cohesive coexistence of communities.
- iv. Awarding of best performing students from poor families by offering them full scholarships.

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**V. STATEMENT OF NGCDF SAMBURU WEST MANAGEMENT RESPONSIBILITIES**

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


The Accounting Officer in charge of the NGCDF-Samburu West Constituency is responsible for the preparation and presentation of the Fund'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 ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

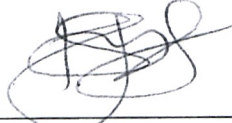
The Accounting Officer in charge of the NGCDF-Samburu West Constituency accepts responsibility for the Fund's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2020, and of the Fund's financial position as at that date. The Accounting Officer charge of the NGCDF-Samburu West Constituency further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-Samburu West Constituency confirms that the Fund has complied fully with applicable Government Regulations and that the Fund'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 Fund's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NGCDF-Samburu West Constituency financial statements were approved and signed by the Accounting Officer on 16/09/2021 2021.

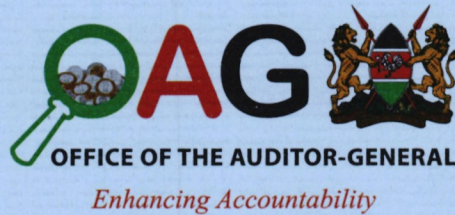
  
\_\_\_\_\_  
**Fund Account Manager**  
**Name: Isaack Hassan Adan**

  
\_\_\_\_\_  
**Sub-County Accountant**  
**Name: John Obonsi**  
**ICPAK Member Number: 20492**



# REPUBLIC OF KENYA

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

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### **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 - Samburu West Constituency set out on pages 13 to 51, which comprise the statement of assets and liabilities as at

30 June, 2021, and the statement of receipts and payments, statement of cash flows and 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Samburu West 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 Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **Inaccuracies in Bank Balance**

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects bank balances of Kshs.30,559,531. The bank reconciliation statement as at 30 June, 2021 reflected payments in cash book that were not recorded in the bank statement representing un-presented cheques amounting to Kshs.11,304,904. The un-presented cheques includes stale cheques totalling to Kshs.3,628,280 that had not been reversed in the cashbook.

In the circumstances, the accuracy and completeness of the reported bank balances of Kshs.30,559,531 as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Samburu West 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**

Review of the summary statement of appropriation reflects final receipts budget and actual on comparable basis totalling to Kshs.221,453,971 and Kshs.174,048,367 respectively, resulting to an underfunding amounting to Kshs.47,405,604 or 21% of the

budget. Similarly, the fund spent Kshs.143,488,837 against an approved budget of Kshs.221,453,971 resulting to an under expenditure of Kshs.77,965,134 or 35% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the residents of Samburu West Constituency.

## 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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **Unutilized and stalled Projects**

As disclosed under Notes 6 and 7 to the financial statements, the statement of receipts and payments reflects Kshs.82,517,826 and Kshs.51,821,544 in respect of transfer to other Government units and other grants and transfers respectively, out of which, Kshs.17,900,000 was disbursed to Project Management Committees (PMCs) in respect of eight (8) projects for the construction of laboratories, classrooms, police house, toilet and fencing.

However, physical verification carried out in the month of April, 2022 revealed that six (6) projects costing Kshs.12,900,000 were completed but had not been put to use, while two (2) projects costing Kshs.5,000,000 had stalled.

In the circumstances, the value for money and regularity of the Kshs.17,900,000 incurred on the above eight (8) projects could not be confirmed.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on

Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Lack of Risk Management Policy**

The Management had not developed a risk management policy to guide it on risk assessment and formulation of risk mitigation strategies in the year under review. This is contrary to Regulation 165(1)(a)(b) of the Public Finance Management Act (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal controls that builds robust business operations.

In the circumstances, it has not been possible to confirm whether the internal controls built within the financial and operational systems were functioning as intended.

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

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

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease its 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

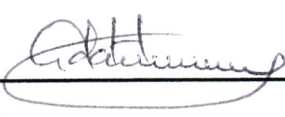
**20 July, 2022**

**Samburu West 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
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	165,267,724	68,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	4,000
<b>TOTAL RECEIPTS</b>		<b>165,267,724</b>	<b>68,004,000</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,198,817	4,048,302
Use of goods and services	5	5,950,650	4,283,115
Transfers to Other Government Units	6	82,517,826	49,544,000
Other grants and transfers	7	51,821,544	38,140,364
Acquisition of Assets	8	-	-
Other Payments	9	-	6,030,900
<b>TOTAL PAYMENTS</b>		<b>143,488,837</b>	<b>102,046,681</b>
<b>SURPLUS/(DEFICIT)</b>		<b>21,778,887</b>	<b>(34,042,681)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF - Samburu West Constituency financial statements were approved on 16/09/2021 and signed by:



**Fund Account Manager**

**Isaak Hassan Adan**



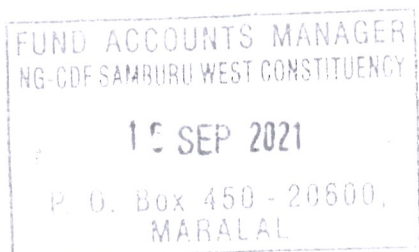
**National Sub-County  
Accountant**

**John Obonsi**



**Chairman NG-CDF Committee**

**Isaiiah Letunta**

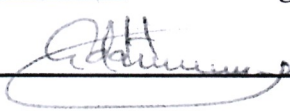


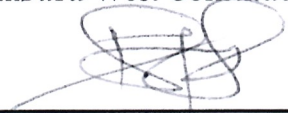
*Samburu West Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

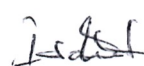
**VIII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	30,559,531	8,780,643
Cash Balances (cash at hand)	10B	-	
<b>Total Cash and Cash Equivalents</b>		<b>30,559,531</b>	<b>8,780,643</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	
<b>TOTAL FINANCIAL ASSETS</b>		<b>30,559,531</b>	<b>8,780,643</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	
Gratuity	12B	-	
<b>TOTAL FINANCIAL LIABILITES</b>			
<b>NET FINANCIAL ASSETS</b>		<b>30,559,531</b>	<b>8,780,643</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>		8,780,643	41,223,325
Prior year adjustments	14	-	1,600,000
Surplus/Deficit for the year		21,778,887	(34,042,681)
<b>NET FINANCIAL POSITION</b>		<b>30,559,530</b>	<b>8,780,644</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF - Samburu West Constituency financial statements were approved on 16/09/2021 2021 and signed by:

  
\_\_\_\_\_  
Fund Account Manager  
Isaak Hassan Adan

  
\_\_\_\_\_  
National Sub-County  
Accountant  
John Obonsi

  
\_\_\_\_\_  
Chairman NG-CDF Committee  
Isaiah Letunta

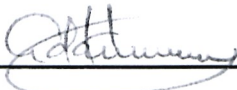


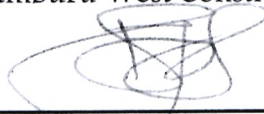
*Samburu West Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

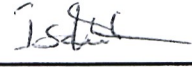
**IX. STATEMENT OF CASHFLOW**

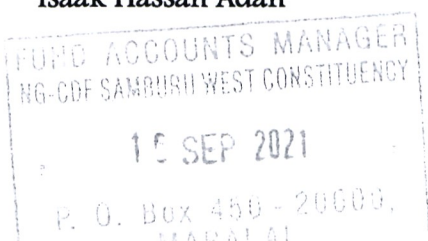
		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	165,267,724	68,000,000
Other Receipts	3	-	4,000
<b>Total receipts</b>		<b>165,267,724</b>	<b>68,004,000</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,198,817	4,048,302
Use of goods and services	5	5,950,650	4,283,115
Transfers to Other Government Units	6	82,517,826	49,544,000
Other grants and transfers	7	51,821,544	38,140,364
Other Payments	9	-	6,030,900
<b>Total payments</b>		<b>143,488,837</b>	<b>102,046,681</b>
<b>Total Receipts Less Total Payments</b>		<b>21,778,887</b>	<b>(32,442,681)</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14		1,600,000
<b>Net cash flow from operating activities</b>		<b>21,778,887</b>	<b>(32,442,681)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>21,778,887</b>	<b>(32,442,681)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>10</b>	<b>8,780,644</b>	<b>41,223,325</b>
<b>Cash and cash equivalent at END of the year</b>		<b>30,559,531</b>	<b>8,780,644</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF – Samburu West Constituency financial statements were approved on 16/09/2021 2021 and signed by:

  
\_\_\_\_\_  
**Fund Account Manager  
Isaaq Hassan Adan**

  
\_\_\_\_\_  
**National Sub-County  
Accountant  
John Obonsi**

  
\_\_\_\_\_  
**Chairman NG-CDF Committee  
Isaiiah Letunta**



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

X. SUMMARY STATEMENT OF APPROPRIATION

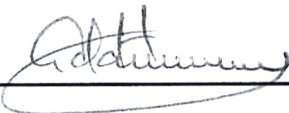
Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	Kshs	b	Kshs				
REC EIPTS	2020/2021		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
Transfers from NGCDF Board	137,088,879	Kshs	8,780,643	75,584,449	221,453,971	174,048,367	47,405,604	78.6%
Proceeds from Sale of Assets								
Other Receipts								
<b>TOTALS</b>	<b>137,088,879</b>		<b>8,780,643</b>	<b>75,584,449</b>	<b>221,453,971</b>	<b>174,048,367</b>	<b>47,405,604</b>	<b>78.6%</b>
<b>PAYMENTS</b>								
Compensation of Employees	4,266,792		-	-	4,266,792	3,198,817	1,067,975	75.0%
Use of goods and services	7,914,217		-	2,659,991	10,574,208	5,950,650	4,623,558	56.3%
Transfers to Other Government Units	51,182,860		8,780,643	29,786,725	89,750,228	82,517,826	7,232,402	91.9%
Other grants and transfers	73,725,010		-	43,137,733	116,862,743	51,821,544	65,041,199	44.3%
Acquisition of Assets	-		-	-	-	-	-	-
Other Payments	-		-	-	-	-	-	-
<b>TOTALS</b>	<b>137,088,879</b>		<b>8,780,643</b>	<b>75,584,449</b>	<b>221,453,971</b>	<b>143,488,837</b>	<b>77,965,134</b>	<b>64.8%</b>

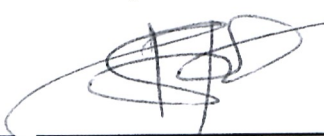
\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.


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

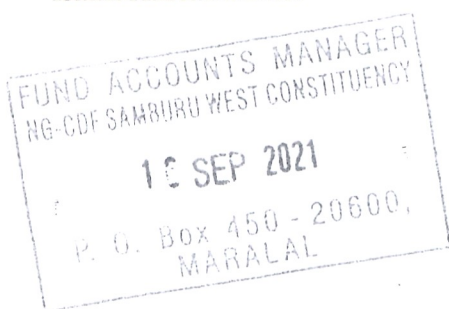
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	77,965,134
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2021	47,405,604
	30,559,530
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	30,559,530

The NGCDF – Samburu West Constituency financial statements were approved on 16/09 2021 and signed by:

  
 Fund Account Manager  
 Isaak Hassan Adan

  
 National Sub-County  
 Accountant  
 John Obonsi

  
 Chairman NG-CDF Committee  
 Isaiah Letunta



## XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
		Opening Balance C/Bk and AIA	Previous Balance Outstanding Disbursement			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4,266,792	224,194	-	4,490,986	3,198,817	1,292,169
1.2 Committee allowances	1,799,763	789,100	-	2,588,863	950,650	1,638,213
1.3 Use of goods and services	2,158,778		2,002,959	4,161,737	1,200,000	2,961,737
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,049,880	-	221,032	1,270,912	750,000	520,912
2.2 Committee allowances	1,880,000	-	176,000	2,056,000	1,600,000	456,000
2.3 Use of goods and services	1,025,796	1,000,000	1,240,000	3,265,796	1,450,000	1,815,796
<b>3.0 Emergency</b>	7,192,207	-	-	7,192,207	5,192,207	2,000,000
<b>4.0 Bursary and Social Security</b>	34,272,221	6,767,350	13,998,058	55,037,629	49,523,982	5,513,647
<b>5.0 Sports</b>	2,741,778	-	2,747,354	5,489,132		5,489,132
<b>6.0 Environment</b>	2,741,778	-	2,747,354	5,489,132	2,725,354	2,763,777
<b>7.0 Primary Schools Projects</b>						
Angata Rongai Primary School	625,000	-	350,000	975,000	975,000	-
Kelele Primary School	1,500,000	-	-	1,500,000	1,500,000	-
Lchoro Ielerai Primary School	332,860	-	-	332,860	332,860	-
Ldaranja Primary School	1,200,000	-	-	1,200,000		1,200,000
Lkiloriti Primary School	1,300,000	-	-	1,300,000	1,300,000	

**Samburu West 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	Actual on comparable basis	Budget utilization difference
Lodokejek Primary School	2,000,000	-	2,700,000	700,000	2,000,000
Logorate Primary School	625,000	-	625,000	625,000	-
Loisukutan Primary School	1,200,000	-	1,200,000	1,200,000	-
Lolgese Primary School	1,200,000	-	1,200,000	1,200,000	-
Lolmisigiyo Primary School	1,200,000	-	1,200,000	1,200,000	-
Lorosoit Primary School	1,200,000	-	1,200,000	1,200,000	-
Loshoo Primary School	1,200,000	-	1,200,000	1,200,000	-
Loturo Primary School	700,000	-	700,000	700,000	-
Lpetpet Primary School	1,200,000	-	1,200,000	1,200,000	-
Maralal Primary School	1,200,000	-	1,200,000	1,200,000	1,200,000
Mugur Primary School	1,200,000	-	1,200,000	1,200,000	-
Nenker Pus Primary School	1,200,000	-	1,200,000	1,200,000	-
Ngambo Primary School	1,200,000	-	1,200,000	1,200,000	-
Ngano Primary School	1,200,000	-	1,200,000	1,200,000	-
Nkutoto Elepere Primary School	1,200,000	-	1,200,000	1,200,000	-
Nomotio Primary School	2,300,000	-	2,300,000	2,300,000	-
Seneiya Special School	1,700,000	-	1,700,000	1,700,000	-
St. Marys Primary School	1,200,000	-	1,200,000	1,200,000	-
St. Paul Primary School	1,200,000	-	1,200,000	1,200,000	-
Sura Adoru Primary School	700,000	-	1,100,000	400,000	1,100,000

**Samburu West 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	Actual on comparable basis	Budget utilization difference
Yare Primary School	1,200,000	-	1,200,000	1,200,000	-
Lemisigiyo Primary School	500,000	-	2,000,000	2,000,000	-
Amaya Primary School			1,200,000		1,200,000
Kisima Primary School			1,420,000		1,420,000
Ladala Primary School			1,200,000	1,200,000	-
Lkeek Sapuki Primary School			1,200,000		1,200,000
Loiragai Primary School			1,450,000	250,000	1,200,000
Loiraian Primary School			1,200,000	1,200,000	-
Lokuto Primary School			1,200,000		1,200,000
Lolmolog Primary School			1,200,000		1,200,000
Loltulelei Primary School			1,200,000		1,200,000
Loosuk Primary School			1,200,000		1,200,000
Sawan Primary School			1,200,000	1,200,000	-
Seketet Primary School			1,200,000		1,200,000
Reten Primary School			1,500,000	1,500,000	-
<b>Secondary school projects</b>					
Lorrok Primary School			2,700,000	2,700,000	-
Kirimon Mixed Sec School			2,000,000		2,000,000
Lodokejek Mixed Secondary School			1,000,000	1,000,000	-
Ngari Mixed Secondary School			1,200,000	1,200,000	-
Suguta Marmar Mixed Secondary School			2,000,000	2,000,000	-
Ledero Mixed Secondary School			1,200,000	1,200,000	-
Maralal High School			1,200,000	1,200,000	-

*Samburu West 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	Actual on comparable basis	Budget utilization difference
Sirata Oirobi Mixed Secondary School			1,200,000	1,200,000	-
Bishop Lesuuda Secondary School			4,900,000	4,900,000	-
Lpartuk mixed sec School			1,200,000	1,200,000	-
Samburu mixed sec school			1,300,000		1,300,000
Lorrok sec school			1,200,000	1,200,000	-
Kisima Girls High School	1,000,000	-	1,000,000	1,000,000	-
Kisima Girls High School	1,200,000	-	1,200,000	1,200,000	-
Milimani Mixed Sec School	1,200,000	-	1,200,000	1,200,000	-
Mwangaza Mixed Mixed Sec School	1,200,000	-	2,400,000	2,400,000	-
Kirisia Boys Sec School	3,800,000	-	3,800,000	3,800,000	-
Longewan Mixed Secondary School			914,966	914,966	-
Malaso Mixed Sec School	1,300,000	-	2,300,000	2,300,000	-
10.0 Security Projects					-
Lodokojek Chiefs office			700,000		700,000
Loosuk chiefs office			700,000	700,000	-
Kirisia Chiefs Office	700,000	-	700,000	700,000	-
Kisima Police Station	1,500,000	-	2,200,000	2,200,000	-
Lodokejek Admn Police Camp	700,000	-	700,000	700,000	-
Logorate Chiefs Office	1,500,000	-	1,500,000	1,500,000	-
Maralal assistant chiefs office	700,000	-	700,000		700,000

**Samburu West 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	Actual on comparable basis	Budget utilization difference
Suguta location chiefs office	1,500,000	-	1,500,000	1,500,000	-
Suguta police station	2,300,000	-	2,300,000	2,300,000	-
NGCDF Office	4,800,000	-	4,800,000		4,800,000
Constituency Innovation Hubs	4,677,027	-	4,677,027		4,677,027
Teachers Service Commission	700,000	-	700,000	700,000	-
Sirata TTI	10,000,000	-	10,000,000		10,000,000
Suguta Deos Office		-	600,000	600,000	-
NGCDF Vehicle	7,700,000		7,700,000		7,700,000
Unreceived Funds from NG - CDF Board			6,216,725		6,216,725
<b>TOTALS</b>	<b>137,088,879</b>	<b>8,780,644</b>	<b>221,453,972</b>	<b>143,488,837</b>	<b>77,965,135</b>

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

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

**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- Samburu West 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 30<sup>th</sup> June 2021 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> 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 30<sup>th</sup> 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
AIE NO. B030184		4,000,000
AIE NO. B030428		20,000,000
AIE NO. B049171		6,000,000
AIE NO. B104089		15,000,000
AIE NO. B104472		23,000,000
AIE NO. B 005108	35,000,000	
AIE NO. B 030184	14,247,724	
AIE NO. B 030428	20,000,000	
AIE NO. B 124733	9,000,000	
AIE NO. B 119638	10,000,000	
AIE NO. B 047007	120,000	-
AIE NO. B 128271	6,900,000	-
AIE NO. B 132031	7,000,000	-
AIE NO. B 128028	13,000,000	-
AIE NO. B 126286	6,000,000	-
AIE NO. B 049297	6,000,000	-
AIE NO. B 105081	10,000,000	-
		-
B138994	13000000	-
B140725	15000000	-
<b>TOTAL</b>	<b>165,267,724</b>	<b>68,000,000</b>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>		

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,198,817	4,048,302
<b>Personal allowances paid as part of salary</b>	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	-	-
	-	-
<b>Total</b>	<b>3,198,817</b>	<b>4,048,302</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*  
**5. USE OF GOODS AND SERVICES**

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	2,600,000	2,561,860
Utilities, supplies and services	-	19,585
Communication, supplies and services	-	107,525
Domestic travel and subsistence	174,450	
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	950,333	1,319,160
Hospitality supplies and services	-	-
Other committee expenses	-	-
Committee allowance	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	950,000	143,985
Other operating expenses	1,275,867	131,000
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
	-	-
<b>Total</b>	<b>5,950,650</b>	<b>4,283,115</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	51,802,860	43,364,000
Transfers to secondary schools (see attached list)	30,714,966	6,180,000
Transfers to tertiary institutions (see attached list)		
<b>TOTAL</b>	<b>82,517,826</b>	<b>49,544,000</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	22,068,550	14,336,398
Bursary – tertiary institutions (see attached list)	16,557,500	16,000,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	2,598,000	-
Security projects (see attached list)	8,100,000	2,800,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	2,497,494	
Emergency projects (see attached list)	-	-
<b>Total</b>	<b>51,821,544</b>	<b>38,140,364</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
<b>Total</b>		

**9. OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Social Security - NHIF		6,030,900
<b>TOTAL</b>		<b>6,030,900</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10: CASH BOOK BANK BALANCE**

**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

<b>Name of Bank, Account No. &amp; currency</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
<i>Equity bank Samburu West NG-CDF Account 1100278642998 Maralal</i>	30,559,531	8,780,643
<b>Total</b>	<b>30,559,531</b>	<b>8,780,643</b>
<b>10B: CASH IN HAND</b>		
Location 1		
Location 2		
Location 3		
<b>Total</b>	<b>30,559,531</b>	<b>8,780,643</b>

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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>
	-	-	-	-
	-	-	-	-

**12A. RETENTION**

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

**12B. GRATUITY**

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

**13. BALANCES BROUGHT FORWARD**

	<b>2020-2021 (1<sup>st</sup> July 2020)</b>	<b>2019-2020 (1<sup>st</sup> July 2019)</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	8,780,643	41,223,325
Cash in hand	-	
Imprest	-	
	-	
<b>Total</b>	<b>8,780,643</b>	<b>41,223,325</b>

## 14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	8,780,643	-	8,780,643
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>TOTAL</b>	<b>8,780,643</b>	<b>-</b>	<b>8,780,643</b>

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

## 15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

## 16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

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

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

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

**17.3: UNUTILIZED FUND (See Annex 3)**

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,067,975	204,194
Use of goods and services	4,624,208	7,873,992
Amounts due to other Government entities (see attached list)	7,232,402	26,993,354
Amounts due to other grants and other transfers (see attached list)	65,041,199	36,381,315
Acquisition of assets	-	-
Others ( <i>specify</i> )	-	6,695,513
Funds pending approval	-	-
	<b>77,965,784</b>	<b>78,148,368</b>

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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)	34,008,412	33,139,826
	<b>34,008,412</b>	<b>33,139,826</b>

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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	
<b>Construction of buildings</b>					
1.					
2.					
3.					
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Kisima Primary School	Construction of 1 classroom and Purchase of 44 lockers & chairs	1,420,000		
Lodokejek Primary School	Renovation of 8 classrooms	2,000,000		
<b>Sub-Total</b>		<b>18,720,000</b>	<b>26,993,354</b>	
<b>Amounts due to other grants and other transfers</b>				
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	2,000,000		
Bursary	Payment of bursary for needy students	5,513,647		
Sports	Provision of sporting equipment and tournament	5,489,132		
Environment	Purchase of tree seedlings	2,763,777		
NG – CDFC Vehicle	Purchase of vehicle	7,700,000		
Sirata TTI	Completion of TTI	10,000,000		
Constituency Innovation Hubs	Construction of 4 Hubs	4,677,027		
NG – CDF Office	Construction of office	4,800,000		
Maralal Assistant Chief's Office	Construction of 4 toilets	700,000		
Lodokejek Chief's Office	Renovation of Office	700,000		
<b>Sub-Total</b>		<b>44,343,583</b>	<b>36,381,315</b>	<b>6,695,513</b>
Unreceived funds from CDF Board		<b>6,216,725</b>	<b>6,695,513</b>	<b>-</b>
<b>Grand Total</b>		<b>77,965,784</b>	<b>78,148,368</b>	<b>78,148,368</b>

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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	10,590,000	-	-	10,590,000
Transport equipment	4,798,169	-	-	4,798,169
Office equipment, furniture and fittings	6,614,699	-	-	6,614,699
ICT Equipment, Software and Other ICT Assets	1,786,678	-	-	1,786,678
Other Machinery and Equipment	114,465	-	-	114,465
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>23,904,011</b>	<b>-</b>	<b>-</b>	<b>23,904,011</b>

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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
<b>NG-CDFC Staff</b>				
1.				
2.				
3.				
	<b>Sub-Total</b>			
	<b>Grand Total</b>			

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**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	Payment of staff salaries and gratuity	1,292,169	204,194	
Use of goods & services	Payment of committee seating allowance, transport, fuel & other office expenses	7,392,658	7,873,992	
<b>Amounts due to other Government entities</b>				
Samburu Mixed Secondary School	Construction of Lab	1,300,000		
Kirimon Mixed Day Secondary School	Construction of Administration Block	2,000,000		
Lokuto Primary School	Construction of 1 classroom	1,200,000		
Lolmolok Primary School	Construction of 1 classroom	1,200,000		
Loltulelei Primary School	Construction of 1 classroom	1,200,000		
Loosuk Primary School	Construction of 1 classroom	1,200,000		
Seketet Primary School	Construction of 1 classroom	1,200,000		
Lkeek Sapuki Primary School	Construction of 1 classroom	1,200,000		
Loiragai Primary School	Construction of 1 classroom	1,200,000		
Amaya Primary School	Construction of 1 classroom	1,200,000		
Maralal Primary School	Construction of dormitory	1,200,000		
Ldaranja Primary School	Construction of 1 classroom	1,200,000		

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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

	PMC	BANK	ACCOUNT NO	Account Balance 2019/20	Account Balance 2018/19
1.	LKILORIRITI PRIMARY SCHOOL	Equity Bank LTD	1100280817943	1,299,550	
2.	NGAMATA PRIMARY SCHOOL	Equity Bank LTD	1100277303683	400	5,260
3.	LPETPET PRIMARY SCHOOL	Equity Bank LTD	1100277303605	36,640	1000
4.	NGAMBO PRIMARY SCHOOL	Equity Bank LTD	1100279881258	1,200,540	-
5.	MUGUR PRIMARY SCHOOL	Equity Bank LTD	1100280824806	1,139,430	-
6.	NENGERPUS PRIMARY SCHOOL	Equity Bank LTD	1100279883821	801,450	-
7.	KIRIMON PRIMARY SCHOOL	Equity Bank LTD	1100278857745	1,880	150,000
8.	LODOKEJEK PRIMARY SCHOOL	Equity Bank LTD	1100277225168	431,252	-
9.	SURA ADORU PRIMARY SCHOOL	Equity Bank LTD	1100279536952	45,739	-
10	LESIDAIPRIMARY SCHOOL	Equity Bank LTD	1100279890135	732	-
11	NOMOTIO PRIMARY SCHOOL	Equity Bank LTD	1100278588501	2,300,280	-
12	ST.MARYS PRIMARY SCHOOL	Equity Bank LTD	1100280840689	1,199,550	-
13	SENEIYA SPECIAL SCHOOL	Equity Bank LTD	1100280805109	1,614,430	-
14	SHABAA PRIMARY SCHOOL	Equity Bank LTD	1100279888040	6,115	-
15	LKURUM PRIMARY SCHOOL	Equity Bank LTD	1100278862453	12,280	-
16	LOITING PRIMARY SCHOOL	Equity Bank LTD	1100278499624	26,260	-
17	NGANO PRIMARY SCHOOL	Equity Bank LTD	1100279557137	1,200,830	-
18	LEMISIGIYO PRIMARY SCHOOL	Equity Bank LTD	1100279560706	31,508	-
19	ANG'ATA RONKAI PRIMARY SCHOOL	Equity Bank LTD	1100278904429	318,630	-
20	LORUKOTI PRIMARY SCHOOL	Equity Bank LTD	1100278864093	4,880	-
21	LOLGESE PRIMARY SCHOOL	Equity Bank LTD	1100278654088	1,339,948	-
22	NKUTOTO ELEPERE PRIMARY SCHOOL	Equity Bank LTD	1100278700423	1,140,880	-
23	LOSHOO PRIMARY SCHOOL	Equity Bank LTD	1100280813212	1,199,550	-

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24	LDARANJA PRIMARY SCHOOL	Equity Bank LTD	1100280823015	798,326	132,880
25	LOLMISIGIYIO PRIMARY SCHOOL	Equity Bank LTD	1100280906923	1,199,550	35,000
26	LOISUKUTAN PRIMARY SCHOOL		1100280906951	1,199,550	-
27	LOROSOIT PRIMARY SCHOOL	Equity Bank LTD	1100280925650	1,199,550	-
28	LOGORATE PRIMARY SCH	Equity Bank LTD	1100277225168	628,880	-
29	LODOKEJEK PRIMARY SCHOOL	Equity Bank LTD	1100278904429	45,739	-
30	ANG'ATA RONKAI PRIMARY SCHOOL	Equity Bank LTD	1100276901239	318,630	-
31	ST PAULS PRIMARY SCHOOL	Equity Bank LTD	1100279879836	1,201,890	-
32	NKUTOTO ARUS PRIMARY	Equity Bank LTD	1100279879836	56,368	-
33	LMISIGIYIO PRIMARY	Equity Bank LTD	1100279560706	31,507	-
34	KELELE PRIMARY SCH	Equity Bank LTD	1100278872671	1,510,000	-
35	KISIMA GIRLS HIGH SCHOOL	Equity Bank LTD	1100280831320	2,199,550	-
36	KISIMA MIXED DAY	Equity Bank LTD	1100278752127	8,000	-
37	MALASO MIXED SEC SCHOOL	Equity Bank LTD	1100279866922	528,708	-
38	KIRISIA BOYS SEC SCHOOL	Equity Bank LTD	1100279743273	2,197,470	-
39	MILIMANI MIXED SEC SCHOOL	Equity Bank LTD	1100279864754	1,289,971	-
40	TSC DIRECTOR'S OFFICE TOILET	Equity Bank LTD	1100280916195	699,550	-
41	SIRATA MIXED DAY	Equity Bank LTD			-
42	BISHOP LESUUDA MIXED	Equity Bank LTD	1100280365676	10,029	-
43	KISIMA POLICE STATION	Equity Bank LTD	1100277226033	1,515,971	-
44	SUGUTA CHIEFS OFFICE	Equity Bank LTD	1100280916841	1,424,430	-
45	SUGUTA POLICE STATION	Equity Bank LTD	1100277249206	2,300,170	-
46	MARALAL ASSIST CHIEF OFFICE	Equity Bank LTD	1100279868926	591,370	-
<b>TOTAL</b>				<b>34,008,412</b>	<b>33,139,826</b>

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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)
	Errors In Annual Reports And Financial Statements	The Constituency NG-CDF Committee rectified all the errors in the Financial statements i.e. errors in wordings, headings, addresses and formatting. Attached please find the new formatted and corrected IPSAS for 2019/2020 Financial year	Resolved	N/A
	Inaccuracies In The Financial Statements	The Fund opening balance for the FY 2019/2020 was Kshs 42,823,325 which was made up of Kshs 41,223,325 previous year closing balance and Kshs 1,600,000 returned to the NG-CDF main account from Sports project management committee. Attached find the bank statement showing the money returned to the main account. Annex 2	Resolved	N/A

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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>The total receipts is Kshs 68,004,000 and total of recurrent and development is Kshs 110,827,325 the difference of Kshs 42,823,325 is the opening balance plus the adjustment of Kshs 1,600,000. Actual expenditure is Kshs 102,046,681. Budget utilization difference is Kshs 78,148,368 which comprise of Kshs 69,367,724 not received from NG-CDF Board and the closing balance of Kshs 8,780,644. Other payments balance is Kshs 6,030,900 but it was not entered under note 9 the same will be corrected under note 9.</p> <p>Project management committee balances will be corrected to capture the correct amount of Kshs 46,590,638.</p>	Resolved	N/A
	Inaccurate Comparative Figures	The comparative figures have been amended to reflect the	Resolved	N/A

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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)
		correct figures audited in the Financial year 2018/2019.		
	Variance Between Financial Statements And Schedules	The Corrected schedules have been done for use of goods, transfer to secondary schools, bursary and security. The schedule for use of goods is totalling Kshs 4,283,115 and not Kshs 4,048,302	Resolved	N/A
	Unsupported Expenditure	Use of goods expenditure have been broken under the various accounts under use of goods it had been wrongly been put in the training expenses as a lumpsum figure. Corrections made in the financial statements.	Resolved	N/A
	Transfers To Other Government Units	The NG-CDF Committee transferred only Kshs 3,500,000 to Lodokejek Mixed Day Secondary School not Kshs 7,000,000 as stated in Audit report. Kshs 2,500,000 was in FY 2019/2020 codelist and Kshs 1,000,000 reallocated from Bursary. Attached find copies	Resolved	N/A

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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>of codelist, reallocation letter and payment vouchers transferring the Kshs 2,500,000 and Kshs 1,000,000. For maralal chiefs camp the NG-CDF Committee transferred Kshs 2,000,000 to the PMC not Kshs 2,400,000 stated in the audit report.</p>		
Other Grants And Other Payments - Bursary		<p>Laikipia north cdf advertises its bursary so that all applicants can fill the bursary forms and returned the same to the cdf office for vetting and award of bursary. The total bursary is divided into five wards depending on population and number of applicants. Each ward has a bursary vetting committee comprising of village elders, chiefs, religious representatives and cdf committee members from the respective wards. After the application forms are received at the cdf offices</p>	Resolved	N/A

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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>the same are sorted as per wards and each ward committee vets its applicants. The vetted final lists from each of the wards are forwarded to the cdf office where the final lists as per institutions is prepared for cheque writing and dispatch by the full NG-CDF Committee.</p> <p>Cheques for big institutions and with many beneficiaries are delivered to institutions by cdf committee members or the cdf manager. Each cheque is written a covering letter which is attached to the cheque together with the list of beneficiaries.</p> <p>Attached find soft copy of institutions, beneficiaries, amounts and cheque numbers of disbursed bursaries.</p>		
Unsupported Sports Expenditure		The NG-CDF Committee Funded sports activities in the constituency in the FY	Resolved	N/A

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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>2019/2020. The total sports expenditure was Kshs 3,079,817 which was paid in three payment vouchers. Samburu west NG-CDF Sports Committee was paid Kshs 2,180,818, meimug company was paid Kshs 245,000 and fund account manager Kshs 654,000 totalling to Kshs 3,079,817. Attached find copies of the payment vouchers and delivery note of supplied sports kits. The variance of Kshs 899,000 is explained by the two vouchers of Kshs 245,000 and Kshs 654,000.</p>		
	Emergency Payments	<p>The committee constructed NG-CDF Office toilets from Emergency funds amounting Kshs 669,149. The same has been updated in the fixed assets list in the Financial systems.</p>	Resolved	N/A
	Unsupported Other Payments	The NG-CDF Committee paid		

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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)
		Kshs 3,000,000 as NHIF benefits to 500 beneficiaries each at Kshs 6,000. Attached find the payment voucher, lists of beneficiaries and acknowledgement letter from NHIF Office.		
	Bank Balance	Attached find the cash book extract showing the cash book balance and certificate of balance from the bank showing the bank balance.	Resolved	N/A
	Prior Year Adjustment	The prior year adjustment of Kshs 1,600,000 was as a result of Kshs 1,600,000 that was transferred back from sports PMC. Attached find the bank statement on the same and letter from the Fund Account manager instructing the bank to reverse the Kshs 1,600,000 to the main NG-CDF account.	Resolved	N/A
	Budgetary Control And Performance	The NG-CDF Committee absorbed funds for the year upto 61% this was due to late	Resolved	N/A

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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>releasing of funds from the NG-CDF Board. By 30<sup>th</sup> June 2020 the NG-CDF Committee had not received Kshs 69,367,724 from the NG-CDF Board.</p> <p>The unutilised funds of Kshs 78,148,368 have been well listed in the column of budget utilisation difference in the budget execution by programmes and sub-programmes in the financial year. The projects listed in the budget will be implemented</p>		
	Variance Between Final Budget And Approved Codelist	The variance is due to the opening balance and the prior year adjustment.	Resolved	N/A
	Project Management Committee Bank Balances – Kshs 46,590,638	The PMC's balances have been corrected appropriately in the Financial statements.	Resolved	N/A
	Unsupported Fixed Assets.	The value of the assets could not be ascertained 100% because like the buildings were done more than 10	Resolved	N/A

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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)
		years ago, no documents can be traced on the ownership of the land where the NG-CDF Office is located. No valuation of the office has been done. The office has started the process of boarding the NG-CDF vehicle and motorbike both of which are grounded.		
	Unremitted Statutory Deductions (Nssf) – Kshs 81,600	The office was not remitting the statutory deductions upto June 2020 when I took over the office. Since June 2020 I have been remitting the Statutory deductions. Attached find the NSSF returns updated.	Resolved	N/A