

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY	
DATE: 04 JUL 2023	
DAY: TUE	
TABLED BY:	HON. OWEN BATA, CBS, MP
CLERK-AT-THE-TABLE:	Deputy Leader of Majority WZOFU MUKALE

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REPORT

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – NAROK SOUTH
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2022**

Revised Template 30th June 2022



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

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022**

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

NAROK SOUTH Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

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

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Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(a) Key Management

The Narok South 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)

(b) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	William Saitoti Ntimeri
2.	Sub-County Accountant	Patrick Njeru
3.	Chairman NGCDFC	Talala Barta
4.	Member NGCDFC	Maletto Stanley

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(c) Fiduciary Oversight Arrangements

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

(d) Narok South Constituency NGCDF Headquarters

P.O. Box 99
Ololulunga-Narok
Narok-Bomet road
Nairobi, KENYA

(e) Narok South Constituency NGCDF Contacts

Telephone: (254) 721 814169
E-mail: naroksouthngcdf@cdf.go.ke
Website: naroksouthngcdf.go.ke

(f) Narok South Constituency NGCDF Bankers

National Bank
Narok Branch
A/C No.01001041832100
P O Box 1023-20500
Narok Kenya.

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

II. NG-CDF CHAIRMAN'S REPORT



Mr. Talala Barta

On behalf of NAROK SOUTH NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2021/2022 annual report and financial statements for the fund.

NAROK SOUTH NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposal as proposed by the residents of NAROK SOUTH constituency and ensure that all approved projects meet the requirements of sec 24 of the Act, Capacity building of the project management committees (PMCs), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (PMC), projects monitoring and regular NGCDF committee meetings.

NAROK SOUTH NG-CDF committee registered exemplary performance in the year under review as demonstrated by implementation of projects, programmes and activities in the sectors of Education, security, sports and environment which fall within the mandate of the Fund established by the NGCDF ACT 2015(as amended in 2016).

The fund augmented the national government's infrastructure development in education sector through construction, renovation and equipping of schools.

In detail, NG-CDF NAROK SOUTH has been able to achieve the following during the financial year;

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A total of 40 classrooms, 4 dormitories, 1 Dining Hall, 1 administration blocks 3 teacher houses, and 5 toilet blocks were constructed and or renovated through the allocation to the fund.

The fund`s contribution towards education infrastructure across the constituency supported the 100% government transition policy. NAROK SOUTH NG-CDF committee also funded the construction of 1 security facilities amounting to ksh.14, 500,000 in the year which have enhanced security in the constituency.

In addition the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of ksh.39, 475,119 was awarded as bursary to needy students in the constituency. NAROK SOUTH NG-CDF committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

A). Budget Performance

In the financial year 2021/2022 NAROK SOUTH NG-CDF budget performance against actual amounts for current year based on economic classification and programmes, was derailed by untimely and unpredictable disbursement of funds to the constituency by the NG-CDF BOARD,

In the financial year ended June 30th, 2022 NAROK SOUTH NG-CDF had a cumulative approved budget of Kshs 182,262,259 out of which the entire amount was received as at June 30, 2022.

NG-CDF NAROK SOUTH disbursed the received funds as follows;

PAYMENTS	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
Compensation of Employees	6,291,887	6,301,887	-10,000	99.6%
Use of goods and services	8,300,495	8,300,290	205	101%
Transfers to Other Government Units	105,300,000	105,300,000	-	100%
Other grants and transfers	62,369,877	62,246,822	123,055	98.5%
Acquisition of Assets	-	-	-	-
Other Payments	-	-	-	-
TOTAL	182,262,259	182,148,999	113,260	99.9%

Herein attached are pictorials to depict successful projects undertaken during the year.



ERORET PRI SCHOOL-STAFF HOUSE KSH

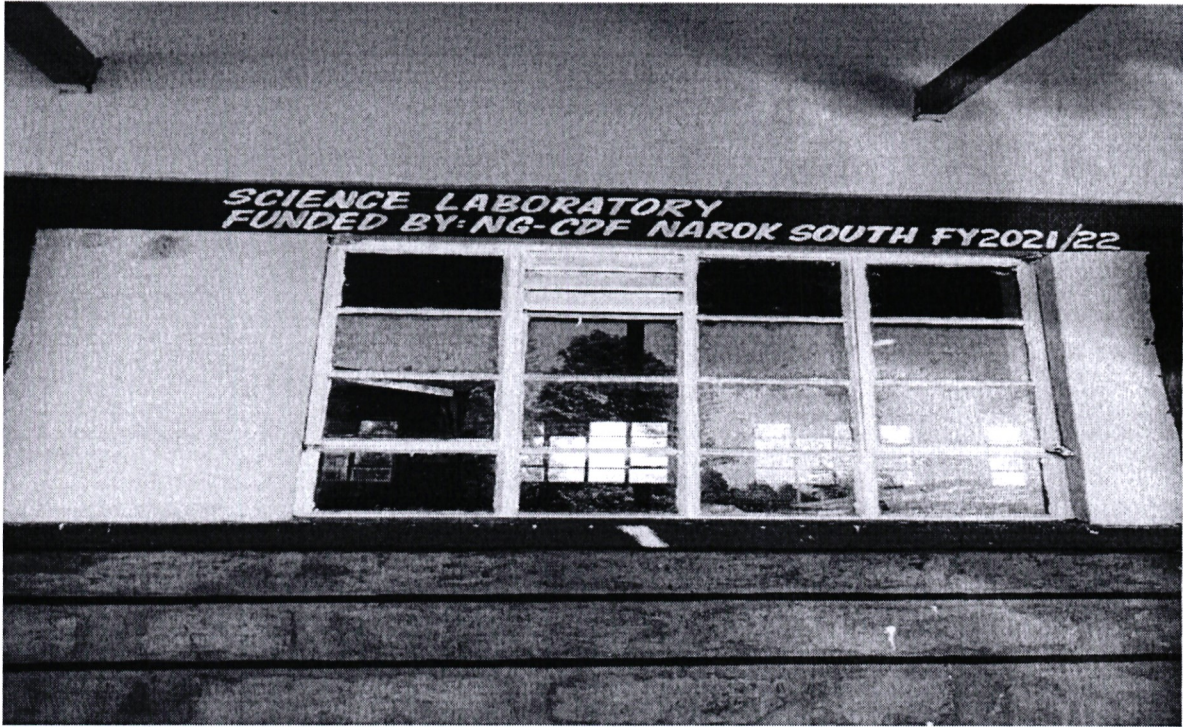


ENTASEKIRA PRIMARY SCHOOL BUS-51-SEATER

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KAPKATET SEC SCHOOL-LABARATORY



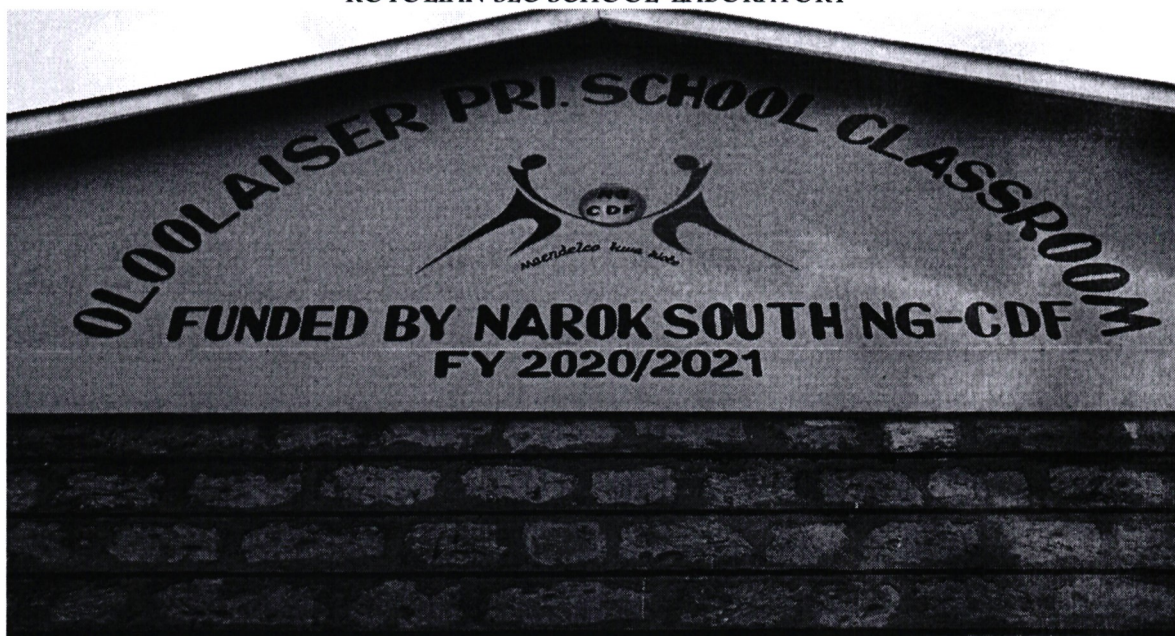
OLOOLAISER PRI SCHOOL-GATE



KOTOLIAN SEC SCHOOL-DORMITORY



KOTOLIAN SEC SCHOOL-LABORATORY



OLOOLAISER PRI SCHOOL-CLASSROOM



OLOLULUNGA POLICE STATION



SAIRE SEC SCHOOL-LABORATORY



ONGATA NARROPIL PRI SCH-2 CLASSROOMS



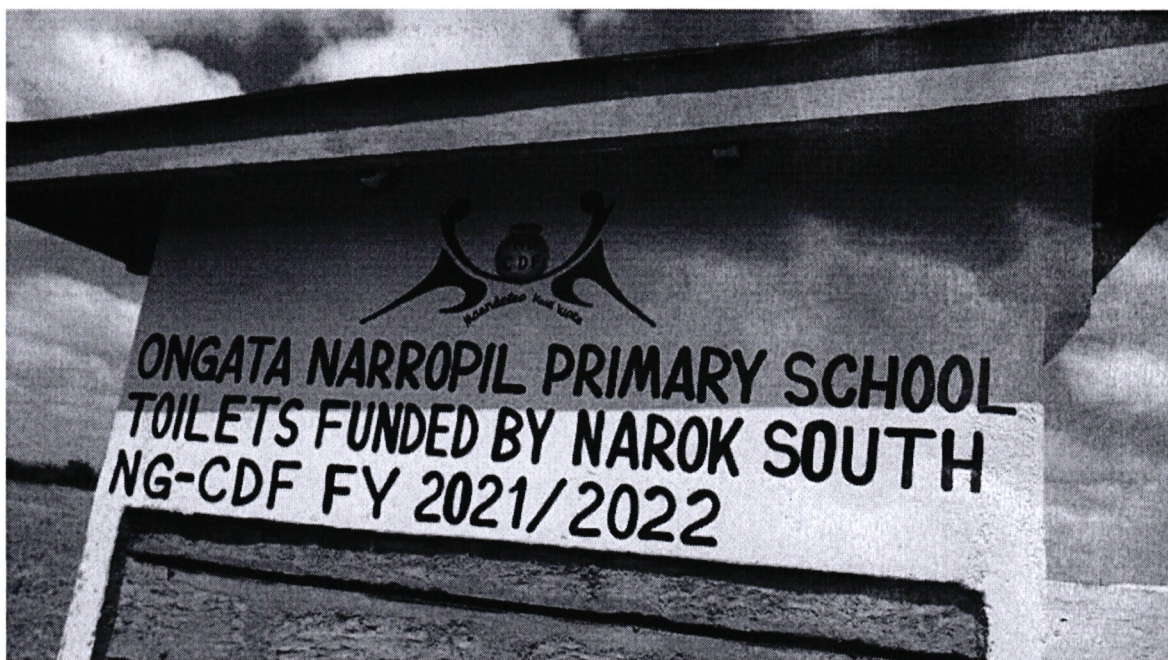
OLE KUSEROI PRI SCHOOL-TOILETS



OLPUKOTIPRI SCHOOL-ONE CLASSROOM



ONGATA NARROPIL PRIMARY SCHOOL-TWO CLASSROOMS



ONGATA NARROPIL PRIMARY SCHOOL-TOILETS

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Annual Constituency Allocation

I am pleased to present the unaudited financial statements for Narok South Constituency for the financial year ended 30th June 2022. During the year, the Constituency was allocated a total of Kshs 137,088,871

Sectoral Analysis of Funding

Over the past 20 years, the Constituency has received a total of Kshs 1,544,808,217 which were subsequently been disbursed to various projects in such sectors as education, water, health, roads and bridges, energy, agriculture, security etc

In addition to the statutory bursary, emergency, sports, environment, administration and monitoring and evaluation votes. The funding has benefitted over 650 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last five years is as hereunder provided;

NO	Financial Year	Amount (Ksh)	Remarks
1	2003/2004	6,000,000	Disbursed
2	2004/2005	29,785,128	Disbursed
3	2005/2006	38,521,771	Disbursed
4	2006/2007	53,364,827	Disbursed
5	2007/2008	53,364,826	Disbursed
6	2008/2009	53,694,437	Disbursed
7	2009/2010	65,546,022	Disbursed
8	2010/2011	67,505,334	Disbursed
9	2011/2012	81,777,364	Disbursed
10	2011/2012	17,442,857	Conditional Grant Disbursed
11	2012/2013	50,805,618	Disbursed
12	2013/2014	82,149,661	Disbursed
13	2014/2015	118,505,322	Disbursed
14	2015/2016	125,672,486	Disbursed
15	2016/2017	81,896,552	Disbursed
16	2017/2018	98,189,654	Disbursed
17	2018/2019	109,040,876	Disbursed
18	2019/2020	137,367,724	Disbursed
19	2020/2021	137,088,879	Disbursed
20	2021/2022	137,088,879	Disbursed
TOTAL DISBURSEMENTS		1,544,808,217	

B). Emerging issues related to NG-CDF in NAROK SOUTH Constituency are;

- ❖ Education, Security, Sports, Environment, Water and Roads sectors almost entirely depend on NG-CDF on infrastructure development.

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- ❖ Prioritization of projects to fund is becoming more difficult due to the numerous high impacts and deserving projects being proposed by the residents.
- ❖ Increase in population is piling pressure on NG-CDF to allocate more funds to various development infrastructures to cater for the residents.
- ❖ There's a growing Need to compete with the county government in infrastructure development to justify the long existence of NG-CDF.

C). NG-CDF Implementation challenges in NAROK SOUTH constituency are;

- ❖ Overdependence of the fund by the public and National government functions on all development related needs.
(To overcome this, NAROK SOUTH NG-CDF Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).
- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.
(NAROK SOUTH NG-CDF committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC's) as soon as it receives).
- ❖ Many projects are allocated funds- leading to projects receiving insufficient funds
(To overcome this challenge, NAROK SOUTH NG-CDF is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NAROK SOUTH NG-CDF Committee remain steadfast in delivering on our mandate of transforming lives (maendeleo Kwa wote) thus creating a better society for all.

BT

Mr. Talala Barta
Chairman NGCDF Committee

**III. STATEMENT OF PERFORMANCE AGAINST PREDETERMINED OBJECTIVES FOR
 FY2021/22**

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 Narok South Constituency 2018-2022 plan are to:

- a) Improve Education Standards.
- b) Improve Security.
- c) Conserve the environment.
- d) Nurture talent through sporting activities and art
- e) Increase youth, women and persons with disability participation in development objectives.
- f) Supplementing infrastructure development at the constituency level in matters falling within the functions of the national government in accordance with the Constitution.

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 21/22 among others, we increased number of classrooms, by 20 in primary schools, and 15 in secondary schools, 5 dormitories, 2 laboratories and 3 school buses in

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			- number of bursary beneficiaries at all levels	secondary schools. Approximately 5210 students benefited from bursaries. Thus, 1539 in tertiary and universities and 3671 in secondary schools.
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations, Chief's offices, DCI and county Commissioners security facilities. -	In FY 21/22 We built one (1) police station in Ololulunga Administration Police Camp.
Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 21/22 - we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and planted in various schools approximately 4,500 in number
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical sporting infrastructure build.	In FY 21/22 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in the 6 wards in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 21/22 -we constructed 6 Pit latrine blocks and re-roofing of classrooms in various schools When the schools were facing immediate closure by the county department of health.

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Narok South NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF Narok South 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 Narok South 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 2021/2022 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

9. Environmental performance

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Narok South NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations. Our Environmental Policy In this policy statement Narok South NG-CDF commits to:

1. Developing our management processes to ensure that environmental factors are considered during planning and implementation
2. Monitoring and continuously improving our environmental performance.
3. Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance Our Environmental Action Plan Narok South NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are: Capacity Building, Conservation of Energy and Resources, Environmental Protection and Conservation, Pollution Control and Waste Management
4. Comply with all relevant environmental legislation, regulations and approved codes of practice
5. Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
6. Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
7. Managing and disposing of all wastage in a responsible manner;
8. Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
9. Regularly communicating our environmental performance to our employees and other significant stakeholders

10. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Narok South NGCDF 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.

11. Market place practices-

Narok South 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

12. Community Engagements-

Narok South 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.

Narok South NG-CDF has 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-Narok South Constituency is responsible for the preparation and presentation of the NGCDF Narok South's financial statements, which give a true and fair view of the state of affairs of the NGCDF Narok South for and as at the end of the financial year (period) ended on June 30, 2022. 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 NGCDF Narok South; (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 NGCDF Narok South; (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-Narok South Constituency accepts responsibility for the NGCDF Narok South'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 NGCDF Narok South's transactions during the financial year ended June 30, 2021, and of the NGCDF Narok South's financial position as at that date. The Accounting Officer charge of the NGCDF- Narok South Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the NGCDF Narok South's financial statements as well as the adequacy of the systems of internal financial control.


The Accounting Officer in charge of the NGCDF Narok South Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of

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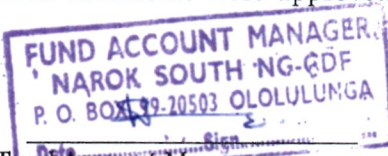
external financing covenants (where applicable), and that the NGCDF NAROK SOUTH's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the constituency's financial statements 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- NAROK SOUTH Constituency financial statements were approved and signed by the Accounting Officer on May 5, 2023



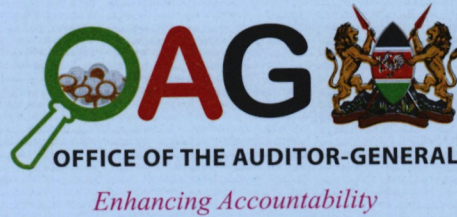
Chairman NGCDF Committee
Name: Talala Barta



Fund Account Manager
Name: Mr. William Saitoti

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NAROK SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Narok South Constituency set out on pages 1 to 41, which comprise the statement of assets and liabilities as at 30 June, 2022 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 – Narok South Constituency as at 30 June, 2022 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 Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012..

Basis for Qualified Opinion

1. Use of Goods and Services

1.1 Inaccuracy in the Financial Statements

The statement of receipts and payments reflects use of goods and services of Kshs.8,300,290 as disclosed in Note 6 to the financial statements. However, a recast of the amount revealed the total to be Kshs.7,190,780 resulting into an unreconciled and unexplained variance of Kshs.1,109,510.

1.2 Lack of Support Documents

The statement of receipts and payments reflects use of goods and services of Kshs.8,300,290 which includes committee allowances amounting to Kshs.5,897,525. However, the expenditure returns, names of committee members, allowances paid and the rate used, as well as the nature of expenses were not provided for audit.

In the circumstances, the accuracy, validity and completeness of use of goods and services amount of Kshs.8,300,290 could not be confirmed.

2. Unsupported Transfers to Other Government Units

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other government units totaling to Kshs.105,300,000.

However, the expenditure returns, project implementation status report and project management committee bank accounts were not provided for audit.

In the circumstances, the accuracy and completeness of transfers to other government units amounting to Kshs.105,300,000 could not be confirmed.

3. Unsupported Bursary Payments

The statement of receipts and payments for the year reflects other grants and transfers amounting to Kshs.62,246 822 which includes bursary payments to secondary schools and tertiary Institutions amounting to Kshs.21,070,366 and Kshs.23,507,770 respectively totaling to Kshs.44,578,136. However, the vetting reports and detailed schedule showing student name, admission number, bursary award, cheque number and name of institution were not provided for audit.

In the circumstances, the accuracy, completeness and propriety of the bursary payments of Kshs.44,578,136 could not be confirmed.

4. Inaccuracies in the Summary of Fixed Assets Register

Annex 4 to the financial statements on summary of fixed assets reflects a balance of Kshs.18,104,755 which includes additions of Kshs.174,100. However, the supporting schedules were not provided for audit. Further, the balance differed with assets register balance of Kshs.11,104,755 resulting to an unexplained variance of Kshs.5,139,204. In addition, the balance excludes CDF office building, the motor vehicle and the value of intangible assets in the Fund's custody.

In the circumstances, the accuracy and completeness for the total assets balance of Kshs,18,104,755 could not be confirmed.

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

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as

prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. In addition, Management has not provided satisfactory explanation for the delay in resolving the issues.

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

Irregular Utilization of Emergency Funds

The Fund Management incurred an expenditure of Kshs.9,985,036 on emergency projects' which included Kshs.4,150,000 spent on bursary payments without prior approval of the Board for their reallocation. This is contrary to Section 6 (2) of the National Government Constituencies Development Fund Act, 2015 which stipulates that once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with the approval of the Board. Further, no evidence was provided for audit to justify that the emergency funds utilization met the criteria of unforeseen event with no budgetary provision and harm to public interest.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Report of the Auditor General on National Government Constituencies Development Fund - Narok South Constituency for the year ended 30 June, 2022

a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

12 June, 2023

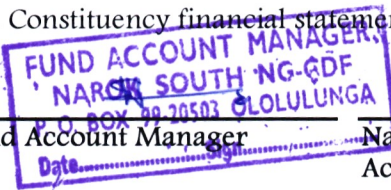
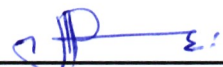

**Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2022

	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	182,177,758	166,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		182,177,758	166,367,724
PAYMENTS			
Compensation of employees	4	6,301,887	3,758,963
Use of goods and services	5	8,300,290	7,708,484
Transfers to Other Government Units	6	105,300,000	88,100,000
Other grants and transfers	7	62,246,822	67,516,880
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		182,148,999	167,084,327
SURPLUS/DEFICIT		28,759	(716,603)

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

The Constituency financial statements were approved on May 5, 2023 and signed by:

 Fund Account Manager	 National Sub-County Accountant	 Chairman NG-CDF Committee
Name: Saitoti William	Name: Patrick Njeru	Name: Talala Barta

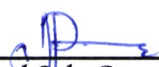
Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
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
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	113,260	84,501
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		113,260	84,501
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		113,260	84,501
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		113,260	84,501
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	84,501	801,104
Prior year adjustments	14	-	
Surplus/Defict for the year		28,759	(716,603)
NET FINANCIAL POSITION		113,260	84,501

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved on May 5, 2023 and signed by:

**FUND ACCOUNT MANAGER,
 NAROK SOUTH NG-CDF
 OLOLILUNGA**
 Fund Account Manager
 Name: Saitoti William


 National Sub-County
 Accountant
 Name: Patrick Njeru


 Chairman NG-CDF
 Committee
 Name: Talala Barta

*Narok South Constituency
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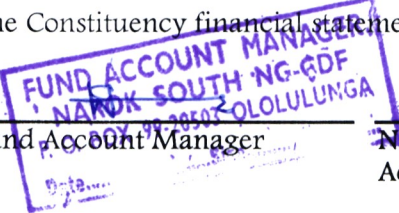
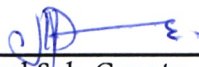

IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2022

	Notes	2021 - 2022	2020- 2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	182,177,758	166,367,724
Other Receipts	3	-	-
		182,177,758	166,367,724
Payments for operating activities			
Compensation of Employees	4	6,301,887	3,758,963
Use of goods and services	5	8,300,290	7,708,484
Transfers to Other Government Units	6	105,300,000	88,100,000
Other grants and transfers	7	62,246,822	67,516,880
Other Payments	9	-	-
		182,148,999	167,084,327
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		28,759	(716,603)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		28,759	(716,603)
Cash and cash equivalent at BEGINNING of the year	10	84,501	801,104
Cash and cash equivalent at END of the year		113,260	84,501

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

*Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

The Constituency financial statements were approved on May 5, 2023 and signed by:

 Fund Account Manager	 National Sub-County Accountant	 Chairman NG-CDF Committee
Name: Saitoti William	Name: Patrick Njeru	Name: Talala Barta

**Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

X. SUMMARY STATEMENT OF APPROPRIATION FOR THE YEAR ENDED 30TH JUNE 2022

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/BK) and AIA Kshs	Previous Years' Outstanding disbursements Kshs				
Receipts	2021/2022			2021/2022	30/06/2022		
Transfers from NG-CDF Board	Kshs 137,088,879	Kshs 84,501	Kshs 45,088,879	Kshs 182,262,259	Kshs 182,262,259	Kshs -	99.9%
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-
TOTAL RECEIPTS	137,088,879	84,501	45,088,879	182,262,259	182,262,259	113,260	99.9%
PAYMENTS							
Compensation of Employees	5,419,201	84,501	788,185	6,291,887	6,301,887	-10,000	99.6%
Use of goods and services	6,918,799	-	1,381,696	8,300,495	8,300,290	205	101%
Transfers to Other Government Units	70,900,000	-	34,400,000	105,300,000	105,300,000	-	100%
Other grants and transfers	53,850,879	-	8,518,998	62,369,877	62,246,822	123,055	98.5%
Acquisition of Assets	-	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-	-
TOTAL	137,088,879	84,501	45,088,879	182,262,259	182,148,999	113,260	99.9%

*Narok South Constituency
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Annual Report and Financial Statements for The Year Ended June 30, 2022*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	113,260
Less undisbursed funds receivable from the Board as at 30 th June 2022	-
	113,260
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	113,260

*Narok South Constituency
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XI. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30TH JUNE 2022

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.0 Administration And Recurrent	8,128,133					
1.1 Compensation Of Employees	5,419,201	84,501	788,185	6,291,887	6,301,887	-10,000
1.2 Committee Allowances	766,133	-	-	766,133	766,133	-
1.3 Use Of Goods And Services	2,040,000	-	-	2,040,000	2,040,000	-
2.0 Monitoring And Evaluation	4,112,666	-	1,381,696	-	-	205
2.1 Capacity Building	1,400,000	-	-	1,400,000	1,400,000	-
2.2 Committee Allowances	1,612,606	-	1,381,696	2,994,302	2,994,097	-
2.3 Use Of Goods And Services	1,100,060	-	0	1,100,060	1,100,060	-
3.0 Emergency	7,192,207	-	2,792,829	9,985,036	9,985,036	-
Isinante Primary School	400,000	-	-	-	400,000	-
Enakishomi Primary School	800,000	-	-	-	800,000	-
Gravity Enterprises Ltd	710,036	-	-	-	710,036	-
Olepolos Primary School	200,000	-	-	-	200,000	-

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Annual Report and Financial Statements for The Year Ended June 30, 2022*

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olooretet Footbridge	250,000	-	-	-	250,000	-
Iibirben Primary School	1,500,000	-	-	-	1,500,000	-
Isinon Primary School	500,000	-	-	-	500,000	-
Alfa Developers Ltd	150,000	-	-	-	150,000	-
Olosiyoi Primary School	295,000	-	-	-	295,000	-
Entasekera Primary School	900,000	-	-	-	900,000	-
Olemuna Secondary School	200,000	-	-	-	200,000	-
Bursaries	1,260,000	-	-	-	1,260,000	-
Bursaries	2,500,000	-	-	-	2,500,000	-
Bursaries	320,000	-	-	-	320,000	-
4.0 Bursary And Social Security	39,475,119	679,174	4,500,000	44,654,293	44,578,136	76,157
4.2 Secondary & Primary Schools&	18,475,366	679,174	1,915,826		21,070,366	-
4.3 Tertiary & Universities Institutions	20,999,753		2,584,174		23,507,770	-
4.5 Social Security	-	-			-	
5.0 Sports	1,341,777	-	453,198	1,794,975	1,841,873	46,898

*Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
ALZIAM K LTD					312,800	-
AMKOR INVESTMENT LTD					270,850	-
NAIKANAE CO LTD					758,127	-
NAIKANAE CO LTD					500,096	-
6.0 Environment	1,341,777	-	-	-	1,341,777	-
ALZIAM K LTD					299,100	-
AMKOR INVESTMENT LTD					1,000,900.00	-
NAIKANAE CO LTD					41,777.00	-
7.0 Primary Schools Projects	42,200,000	-	29,700,000	71,900,000	71,900,000	-
(List All The Projects)						-
Ololepo Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Sogoo Primary School	-	-	5,000,000	5,000,000	5,000,000	-
Masaantare Primary School	-	-	700,000	700,000	700,000	-
Empoor Narok Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Kapsinante Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Chepares Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Naserian Osupuko Primary School	-	-	1,100,000	1,100,000	1,100,000	-
	-	-				-

*Narok South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olekuseroi Primary School	-	-	1,400,000	1,400,000	1,400,000	-
Olchoro Onyokie Pri School	-	-	1,100,000	1,100,000	1,100,000	-
Esimendwa Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Eroret Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Nadupoi Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Nteren Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Oldanyati Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Ole Muna Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Ole Nkoitien Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Chepkwendo Primary School	-	-	1,100,000	1,400,000	1,100,000	-
Leleshwani Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Oloigeruno Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Oloolaiser Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Eor Ewuaso Primary School	-	-	3,500,000	1,100,000	3,500,000	-
Emurua E Lerai Primary	-	-	400,000	1,100,000	400,000	-
Ilkujuka Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Tarakwa Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Entasekera Primary School	7,000,000	-	-	7,000,000	7,000,000	-
Olooretet Primary School	2,500,000	-	-	2,500,000	2,500,000	-

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Osero Le Mpere Pri School	2,200,000	-	-	2,200,000	2,200,000	-
Nkapon Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Ongata Narropil Pri School	2,700,000	-	-	2,700,000	2,700,000	-
Oloisikut Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Olpukoti Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Olmukonge Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Enairebuk Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Chepkutei Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Olenkoirien Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Olashapani Primary School	3,500,000	-	-	3,500,000	3,500,000	-
Oсотua Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Oltarawkai Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Entiapiri Primary School	2,200,000	-	-	2,200,000	2,200,000	-
Olenkuluo Primary School	3,000,000	-	-	3,000,000	3,000,000	-
Kapkures Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Enoosokon Primary School	1,100,000	-	-	1,100,000	1,100,000	-
Eroret Primary School	2,700,000	-	-	2,700,000	2,700,000	-
Olashapani Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Osukunwa Primary School	1,100,000	-	-	1,100,000	1,100,000	-

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.0 Secondary Schools Projects (List All The Projects)	28,700,000	-	4,700,000	33,400,000	33,400,000	-
Ilkerin Secondary School	-	-	2,200,000.00	2,200,000	2,200,000	-
Saire Sec School	-	-	2,500,000.00	2,500,000	2,500,000	-
Loita Girls Sec School	400,000	-	-	400,000	400,000	-
Masaantare Sec School	2,700,000	-	-	2,700,000	2,700,000	-
Kapkatet Sec School	4,500,000	-	-	4,500,000	4,500,000	-
Oloolnganayio Sec School	2,700,000	-	-	2,700,000	2,700,000	-
Tumuiyot Secondary School	1,100,000	-	-	1,100,000	1,100,000	-
Olmekenyu Secondary School	4,500,000	-	-	4,500,000	4,500,000	-
Saire Secondary School	4,500,000	-	-	4,500,000	4,500,000	-
Ereteti Secondary School	2,700,000	-	-	2,700,000	2,700,000	-
Olenkane Secondary School	1,100,000	-	-	1,100,000	1,100,000	-
Kotolian Secondary School	3,000,000	-	-	3,000,000	3,000,000	-
Kotolian Secondary School	1,500,000	-	-	1,500,000	1,500,000	-
9.0 Tertiary Institutions Projects (List All The Projects)		-	-			
9.1						
9.2						

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
9.3						
9.4						
10.0 Security Projects	4,500,000	-	-	4,500,000	4,500,000	-
Narok South Police Station	4,500,000	-	-	4,500,000	4,500,000	-
10.2						
10.3						
11.0 Acquisition Of Assets						
11.1 Motor Vehicles (Including Motorbikes)						
11.2 Construction Of Cdf Office						
11.3 Purchase Of Furniture And Equipment						
11.4 Purchase Of Computers						
11.5 Purchase Of Land						
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						
12.2						
Funds Pending Approval**						

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Total	137,088,879	84,501	45,088,879	182,262,259	182,148,999	113,260

XII. SIGNIFICANT ACCOUNTING POLICIES

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

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.

Reporting Entity

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

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.

Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

In-kind contributions

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

Significant Accounting Policies continued

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.

Significant Accounting Policies continued

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.

Accounts Payable

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

Significant Accounting Policies continued

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.

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

Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2021 for the period 1st July 2021 to 30th June 2022 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.

Comparative Figures

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

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 2022.

Significant Accounting Policies continued

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.

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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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM NGCDF BOARD

Description	2021-2022	2020-2021
	Kshs	Kshs
AIE NO B105534	33,000,000	
AIE NO B105896	44,000,000	
AIE NO B128653	22,000,000	
AIE NO B128966	5,000,000	
AIE NO B042816	12,000,000	
AIE NO B164391	12,000,000	
AIE NO B155535	18,000,000	
AIE NO B089068	24,088,879	
AIE NO B155535	12,088,879	
AIE NO B096991		15,000,000
AIE NO B096893		5,000,000
AIE NO B104657		21,000,000
AIE NO A823700		31,567,724
AIE NO B124634		9,000,000
AIE NO B119603		10,000,000
AIE NO B119993		13,000,000
AIE NO B128234		6,900,000
AIE NO B129196		6,000,000
AIE NO B132290		6,000,000
AIE NO B138959		13,000,000
AIE NO B126251		6,100,000
AIE NO B105046		10,000,000
AIE NO B105561		1,800,000
AIE NO B140689		12,000,000
TOTAL	182,177,758	166,367,724

2. PROCEEDS FROM SALE OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

3. OTHER RECEIPTS

	2021-2022	2020-2021
	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	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	4,199,201	3,722,963
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	2,030,686	-
Employer Contributions Compulsory national social security schemes	72,000	36,000
Total	6,301,887	3,758,963

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5. USE OF GOODS AND SERVICES

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	3,084,501	5,602,871
Utilities, supplies and services	2,813,024	30,150
Communication, supplies and services	416,885	647,100
Domestic travel and subsistence	-	112,600
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Other committee expenses	-	-
Committee allowance	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Other operating expenses	180,800	-
Routine maintenance – vehicles and other transport equipment	695,570	1,315,763
Routine maintenance – other assets	-	-
Total	8,300,290	7,708,484

6. TRANSFER TO OTHER GOVERNMENT UNITS

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	71,900,000	42,650,000
Transfers To Secondary Schools (See Attached List)	33,400,000	41,950,000
Transfers To Tertiary Institutions (See Attached List)	-	3,500,000
Total	105,300,000	88,100,000

7. OTHER GRANTS AND OTHER TRANSFERS

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,070,366	17,603,000
Bursary – tertiary institutions (see attached list)	23,507,770	24,800,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-

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Social Security programmes (NHIF)		
Security projects (see attached list)	4,500,000	10,000,000
Sports projects (see attached list)	1,841,873	1,039,830
Environment projects (see attached list)	1,341,777	3,111,150
Emergency projects (see attached list)	9,985,036	10,962,900
Total	62,246,822	67,516,880

8. ACQUISITION OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	-	-

9. OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

10: CASH BOOK BANK BALANCE

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	113,260	84,501
<i>Name Of Bank, Account No. 1001041832100.00</i>	-	-
Total	113,260	84,501

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10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

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

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

12B. GRATUITY

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. BALANCES BROUGHT FORWARD

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	113,260	84,501
Cash in hand		
Imprest		
Total	113,260	84,501

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPRESTS

	2021-2022	2020-2021
	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	~	~
Changes in Account Receivables E= D-A	~	~

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	~	~
Deposit and Retentions held during the year (B)	~	~

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Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Changes in Accounts Payable E= D-E	-	-

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (SEE ANNEX 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: PENDING STAFF PAYABLES (SEE ANNEX 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

17.3: UNUTILIZED FUND (SEE ANNEX 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	(10,000)	3,092,475
Use of goods and services	205	439,027
Amounts due to other Government entities (see attached list)	-	31,700,000
Amounts due to other grants and other transfers (see attached list)	123,055	9,941,878
Acquisition of assets	-	-
Funds pending approval	-	-
Total	113,260	45,173,380

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	5,849,312	866,372
Total	5,849,312	866,372

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ANNEXES: 1 ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		(10,000)	3,092,475	
Use of goods & services		205	439,027	
Amounts due to other Government entities		-	31,700,000	
Sub-Total			31,700,000	
Amounts due to other grants and other transfers				
Bursaries-tertiary		76,157	9,941,878	
Sports		46,898		
Sub-Total		123,055	45,088,879	
Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval				
Grand Total		113,260	45,173,380	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				0
Buildings and structures	9,750,000	12,100	-	7,000,000
Transport equipment	5,540,000	45,500	-	9,762,100
Office equipment, furniture and fittings	1,896,359	116,500	-	571,655
ICT Equipment, Software and Other ICT Assets				771,000
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	16,069,859	174,100.00		18,104,755

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2022

PMC	Bank	Account number	Date Of Opening	Bank Balance 2021/22	Bank Balance 2020/21
OLOLEPO PRIMARY SCHOOL	NBK-Narok	001022239563100	14.10.2021	8,175	-
SOGOO PRIMARY SCHOOL	NBK-Narok	01022235546400	18.11.2021	1,050	-
MASAANTARE PRIMARY SCHOOL	NBK-Narok	01024081969700	13.11.2021	2,804,630	-
EMPOOR NAROK PRIMARY SCHOOL	NBK-Narok	01022239574100	16.10.2021	1,175	-
KAPSINANTE PRIMARY SCHOOL	NBK-Narok	0124041667502	13.10.2021	1,215	-
CHEPARES PRIMARY SCHOOL	NBK-Narok	01022234884800	14.10.2021	890	-
NASERIAN OSUPUKO PRIMARY SCHOOL	NBK-Narok	01022238295300	18.11.2021	1,775	-
OLEKUSEROI PRIMARY SCHOOL	NBK-Narok	01022224439200	13.11.2021	3,430	-
OLCHORO ONYOKIE PRI SCHOOL	NBK-Narok	01022239389400	16.10.2021	850	-
ESIMENDWA PRIMARY SCHOOL	NBK-Narok	01024042582100	13.10.2021	1,064	-
ERORET PRIMARY SCHOOL	NBK-Narok	01024041987301	14.10.2021	-	-
NADUPOI PRIMARY SCHOOL	NBK-Narok	01022227169200	18.11.2021	7,775	-
NTEREN PRIMARY SCHOOL	NBK-Narok	01022235852200	13.11.2021	650	-
OLDANYATI PRIMARY SCHOOL	NBK-Narok	01024105700000	16.10.2021	276	-
OLE MUNA PRIMARY SCHOOL	NBK-Narok	01022239074000	13.10.2021	775	-
OLE NKOIRIEN PRIMARY SCHOOL	NBK-Narok	01022081936900	14.10.2021	-	-
CHEPKWENDO PRIMARY SCHOOL	NBK-Narok	01022209084800	18.11.2021	460	-
LELESHWANI PRIMARY SCHOOL	NBK-Narok	01022235852200	13.11.2021	155	-
OLOIGERUNO PRIMARY SCHOOL	NBK-Narok	01022237900300	16.10.2021	550	-
OLOOLAIER PRIMARY SCHOOL	NBK-Narok	01024042539801	14.10.2021	1,170	-
EOR EWUASO PRIMARY SCHOOL	NBK-Narok	01026041767702	18.11.2021	1,080	-
EMURUA E LERAI PRIMARY	NBK-Narok	01022217993000	13.11.2021	930	-
ILKUJUKA PRIMARY SCHOOL	NBK-Narok	01024081945300	16.10.2021	630	-
TARAKWA PRIMARY SCHOOL	NBK-Narok	01022208625600	13.10.2021	1,740	-
ENTASEKERA PRIMARY SCHOOL	NBK-Narok	01024116445802	14.10.2021	14,700	-
OLOORETET PRIMARY SCHOOL	NBK-Narok	01022218045200	18.11.2021	1,430	-

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PMC	Bank	Account number	Date Of Opening	Bank Balance 2021/22	Bank Balance 2020/21
OSERO LE MPERE PRI SCHOOL	NBK-Narok	01022242746800	13.11.2021	2,775	-
NKOPON PRIMARY SCHOOL	NBK-Narok	01024116445802	16.10.2021	3,050	-
ONGATA NARROPIL PRI SCHOOL	NBK-Narok	01022242745700	13.10.2021	775	-
OLOISUKUT PRIMARY SCHOOL	NBK-Narok	01024116445802	14.10.2021	1,010	-
OLPUKOTI PRIMARY SCHOOL	NBK-Narok	01024041768702	14.10.2021	4,049	-
OLMUKONGE PRIMARY SCHOOL	NBK-Narok	01022206160100	18.11.2021	1,560	-
ENAIREBUK PRIMARY SCHOOL	NBK-Narok	01024105691900	13.11.2021	170	-
CHEPKUTEI PRIMARY SCHOOL	NBK-Narok	01022243252800	16.10.2021	2,775	-
OLENKOIRIEN PRIMARY SCHOOL	NBK-Narok	01022206160100	13.10.2021	700	-
OLASHAPANI PRIMARY SCHOOL	NBK-Narok	01024042605901	14.10.2021	10,090	-
OSOTUA PRIMARY SCHOOL	NBK-Narok	01022246978600	14.10.2021	187,175	-
OLTARAWKAI PRIMARY SCHOOL	NBK-Narok	01022206160100	18.11.2021	30,770	-
ENTIAPIRI PRIMARY SCHOOL	NBK-Narok	01022216846100	13.11.2021	400,130	-
OLENKULUO PRIMARY SCHOOL	NBK-Narok	01022206430200	16.10.2021	1,490	-
KAPKURES PRIMARY SCHOOL	NBK-Narok	01022246390700	13.10.2021	200,775	-
ENOOSOKON PRIMARY SCHOOL	NBK-Narok	01024042539801	14.10.2021	890	-
ERORET PRIMARY SCHOOL	NBK-Narok	01026041767702	18.11.2021	450	-
OLASHAPANI PRIMARY SCHOOL	NBK-Narok	01022217993000	13.11.2021	855	-
OSUKUNWA PRIMARY SCHOOL	NBK-Narok	01024081945300	16.10.2021	1,230	-
ILKERIN SECONDARY SCHOOL	NBK-Narok	01022237898900	13.10.2021	2,855	-
SAIRE SEC SCHOOL	NBK-Narok	01022217370801	14.10.2021	6,713.00	-
LOITA GIRLS SEC SCHOOL	NBK-Narok	01022216950000	18.11.2021	840	-
MASAANTARE SEC SCHOOL	NBK-Narok	01022242746300	13.11.2021	50	-
KAPKATET SEC SCHOOL	NBK-Narok	01037042721000	16.10.2021	-	-
OLOOLNGANAYIO SEC SCHOOL	NBK-Narok	01022237898900	14.10.2021	15,400	-
TUMUIYOT SECONDARY SCHOOL	NBK-Narok	01022237698700	18.11.2021	8,900	-
OLMEKENYU SECONDARY SCHOOL	NBK-Narok	01022243586600	13.11.2021	2,065,775	-

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PMC	Bank	Account number	Date Of Opening	Bank Balance 2021/22	Bank Balance 2020/21
SAIRE SECONDARY SCHOOL	NBK-Narok	01022242746800	16.10.2021	16,400	-
ERETETI SECONDARY SCHOOL	NBK-Narok	01024116445802	13.10.2021	7,450	-
OLENKANE SECONDARY SCHOOL	NBK-Narok	01022242745700	14.10.2021	880	-
KOTOLIAN SECONDARY SCHOOL	NBK-Narok	01024116445802	18.11.2021	9,600	-
KOTOLIAN SECONDARY SCHOOL	NBK-Narok	01022064453000	13.11.2021	6,260	-
NAROK SOUTH POLICE STATION	NBK-Narok	01022242746300	16.10.2021	895	-
KOTOLIAN SEC SCHOOL	NATIONAL BANK	0102206445700	13.09.2020	-	251,260
ENAKISHOMI SEC SCHOOL	NATIONAL BANK	01022215576500	18.09.2020	-	2,550
LOWER SAGAMIAN MIXED SEC SCHOOL	NATIONAL BANK	01022235798400	12.11.2020	-	1,040
MORIJO LOITA SEC SCHOOL	NATIONAL BANK	01022235853900	14.10.2020	-	1,275
KAPKATET PRI SCHOOL	NATIONAL BANK	0102227951500	03.09.2020	-	798
ONGATA PRIMARY SCHOOL	NATIONAL BANK	0102226589200	14.12.2020	-	50
LETAARI PRIMARY SCHOOL	NATIONAL BANK	01022208451100	17.11.2020	-	4,660
OLE SULUNYE PRIMARY SCHOOL	NATIONAL BANK	01022226404100	11.10.2020	-	1,775
SITOTWET PRIMARY SCHOOL	NATIONAL BANK	01024041666702	16.09.2020	-	1,010
KUNTAI PRIMARY SCHOOL	NATIONAL BANK	01022226951400	13.09.2020	-	2,775
NAISUDORI PRIMARY SCHOOL	NATIONAL BANK	0102226589200	18.09.2020	-	3,275
KICHABA PRIMARY SCHOOL	NATIONAL BANK	01022208451100	12.11.2020	-	1,013
KIMELOK NKISIWANI PRIMARY SCHOOL	NATIONAL BANK	01022226404100	14.10.2020	-	930
BOTORET PRIMARY SCHOOL	NATIONAL BANK	01024041666702	03.09.2020	-	1,475
OLENTUTU PRIMARY SCHOOL	NATIONAL BANK	0102226589200	14.12.2020	-	503
OLOOGILA PRI SCHOOL	NATIONAL BANK	0102226589200	17.11.2020	-	3,275
MENET PRIMARY SCHOOL	NATIONAL BANK	0102227951500	13.09.2020	-	250
ENTASEKERA PRIMARY SCHOOL	NATIONAL BANK	0102226589200	18.09.2020	-	300
OLEPARIATA PRIMARY SCHOOL	NATIONAL BANK	01022226404100	12.11.2020	-	275
OLENKANAE PRIMARY SCHOOL	NATIONAL BANK	01024041666702	14.10.2020	-	3,275
OLKIRIAINE PRIMARY SCHOOL	NATIONAL BANK	0102226589200	13.09.2020	-	4,765

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PMC	Bank	Account number	Date Of Opening	Bank Balance 2021/22	Bank Balance 2020/21
OLMUSAAKWA PRIMARY SCHOOL	NATIONAL BANK	0102226589200	18.09.2020	-	1,350
ENOOSAGAMI PRIMARY SCHOOL	NATIONAL BANK	01022208451100	12.11.2020	-	1,550
ELANGATA E NTERIT SEC SCHOOL	NATIONAL BANK	01022226404100	14.10.2020	-	83,630
ILKIMPA PRIMARY SCHOOL	NATIONAL BANK	01024041666702	03.09.2020	-	775
OLEMEGILI PRIMARY SCHOOL	NATIONAL BANK	0102226589200	14.12.2020	-	1,050
OLE KUSEROI PRIMARY SCHOOL	NATIONAL BANK	01022235853900	17.11.2020	-	303,430
BARAGORWET PRIMARY SCHOOL	NATIONAL BANK	0102227951500	11.10.2020	-	1,680
CHORONOK PRIMARY SCHOOL	NATIONAL BANK	01022208451100	13.09.2020	-	430
MASAANTARE PRIMARY SCHOOL	NATIONAL BANK	0102226589200	18.09.2020	-	154,630
ILUBI SEC SCHOOL	NATIONAL BANK	01024041666702	12.11.2020	-	725
SAGAMIAN SEC SCHOOL	NATIONAL BANK	0102226589200	14.10.2020	-	930
NAROOSURA ACC OFFICE	NATIONAL BANK	0102226589200	03.09.2020	-	25
NAISUDORI SEC SCHOOL	NATIONAL BANK	0102227951500	14.12.2020	-	3,275
OLASHAPANI PRIMARY SCHOOL	NATIONAL BANK	0102226589200	17.11.2020	-	3,090
KONE PRIMARY SCHOOL	NATIONAL BANK	01022226404100	11.10.2020	-	2,550
OLPUSARE PRIMARY SCHOOL	NATIONAL BANK	01024041666702	13.09.2020	-	470
MAUSA PRIMARY SCHOOL	NATIONAL BANK	0102226589200	18.09.2020	-	3,150
OLPUKOTI SEC SCHOOL	NATIONAL BANK	01024041666702	12.11.2020	-	2,530
OLBIBI PRIMARY SCHOOL	NATIONAL BANK	0102226589200	14.10.2020	-	650
OLOOLAISER PRIMARY SCHOOL	NATIONAL BANK	0102226589200	13.09.2020	-	1,170
KAPKATET SEC SCHOOL	NATIONAL BANK	01024041666702	18.09.2020	-	875
OLENKANAE SEC SCHOOL	NATIONAL BANK	0102226589200	12.11.2020	-	3,275
SAIRE SEC SCHOOL	NATIONAL BANK	0102226589200	14.10.2020	-	3,953
OLASHAPANI SEC SCHOOL	NATIONAL BANK	0102227951500	03.09.2020	-	2,775
OLTARAKWAI SEC SCHOOL	NATIONAL BANK	0102226589200	14.12.2020	-	550
OLMESUTIE SEC SCHOOL	NATIONAL BANK	01022226404100	17.11.2020	-	1,325
Total				5,849,312	866,372

ANNEX 6: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1 Presentation and Accuracy of Financial Statements	<p>A review of the financial statements availed for audit review revealed the following anomalies:</p> <ul style="list-style-type: none"> i) The financial statements are not properly paginated ii) The chairman's report has not been titled iii) The comparative figures reflected in the financial statements vary with the figures reflected in the audited 2019/2020 financial statements iv) The statement of assets and liabilities reflects total financial liabilities figure of Kshs.84,501 which is not supported v) The prior year payments adjustments for compensation of employees, use of goods and services, transfers to other government entities and other grants and transfers reflected in the summary of appropriation vary with the figures reflected in note 17.3 to the financial statements 	The Financial statements has been amended by the management accordingly	Resolved	30 th June 2022
4.2 Compensation of Employees	Included in the compensation of employees' figure of Kshs.3,769,310 of reflected in the statement of receipts and payments is NG-CDF basic staff salaries figure of Kshs.3,680,558 which vary with the payroll figure of Kshs.3,722,963 resulting to a variance of Kshs.42,405 which has not been explained. Further, the compensation of employees' figure of Kshs.3, 769,310 include employer contributions compulsory national social security schemes figure of Kshs.88,752 which vary with the figure Kshs.36,000	The Financial statements has been amended accordingly	Resolved	30 th June 2022

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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)
	resulting to a variance of Kshs.52,752 which has also not been explained.			
4.3 Communication, Supplies and Services	Included in the use of goods and services figure of Kshs.7,698,137 reflected in the statement of receipts and payments is communication, supplies and services expenditure of Kshs.647,100 as reflected in note 5 to the financial statements incurred on purchase of stationery	The procurement records (user requisition, advertisement, request for quotation, tender evaluation, professional opinion, letter of offer, acceptance of offer, inspection and acceptance committee reports, and store records) that were not availed during audit are attached	Resolved	30 th June 2022
4.4 Other Committee Allowances	Included in the use of goods and service figure of Kshs.7, 698,137 reflected in the statement of receipts and payments is other committee expenses of Kshs.5, 592,524 relating allowances paid to constituency committee members which should have been charged to committee allowances. A review documents availed for audit revealed that the other committee expenses of Kshs.5,592,524 included cash expenditure of Hshs.4,952,425 incurred on specific dates as shown in Appendix I. However, invitation to the meeting, signed attendance register and minutes of the meeting were not availed for audit verification. Further, no explanation was availed for the multiple payments made on specific dates.	Attached is the documentary evidence for committee expenses of Ksh 5,592,524 that were not availed during audit. The multiple payments made on specific dates are the dates the vouchers were recorded in the cashbook. However, each payment was made and surrendered on its own separate date	Resolved	30 th June 2022

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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)
4.5 Fuel, Oil and Lubricants	Included in the use of goods and services figure of Kshs.7,698,137 reflected in the statement of receipts and payments is fuel, oil and lubricants expenditure of Kshs.1,315,763 as reflected in note 5 to the financial statements incurred on purchase of fuel and service of motor vehicle as shown in Appendix II. However, procurement records such as user requisition, advertisement, vehicle inspection of vehicle for repair report, request for quotation, tender evaluation, professional opinion, letter of offer, acceptance of offer, inspection and acceptance committee reports, fuel register, detail orders, supplier statements and motor vehicle work tickets were not availed for audit verification. Further, the fuel, oil and lubricants expenditure of Kshs.1,315,763 include service of motor vehicle expenditure which should have been charged to routine maintenance - vehicle and other transport equipment expenditure.	The motor vehicle inspection reports that were not availed during audit are attached (Appendix IV). Furthermore the fuel, oil and lubricants expenditure of Kshs.1,315,763 include service of motor vehicle expenditure have been charged to routine maintenance - vehicle and other transport equipment expenditure in the amended Financial statements	Resolved	30 th June 2022
4.6 Transfer to Other Government Entities	The statement of receipts and payments reflects transfer to other government entities figure of Kshs.88,100,000 which comprise of transfers to primary schools, secondary schools and tertiary institutions figure of Kshs.42,650,000, Kshs.41,950,000 and Kshs.3,500,000 as reflected in note 6 to the financial statements for the construction or renovation of classrooms, dorms, toilets and fence, and purchase of school bus for Kshs.11,900,000. However, the transfers to other government entities of Kshs.88,100,000 were not supported with procurement records such as bills of quantities, tender advertisements, tender evaluation minutes, letter of award, acceptance letter, inspection and, accounting records such as cashbooks, bank statements, expenditure return and evidence that the projects were implemented in consultation with relevant government departments. It was also not confirmed	Attached is the documentary evidence for other government entities amounting to Kshs.88, 100,000 that were not availed by the management during the audit exercise	Resolved	30 th June 2022

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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)
	whether or not each project had an independent bank account.			
4.7 Other Grants and Transfers	The statement of receipts and payments reflects other grants and transfer figure of Kshs.67,516,880 which includes security projects of Kshs.10,000,000, sports projects of Kshs.1,039,830 and environment projects of Kshs.3,111,150 all totaling to Kshs.14,150,980	Attached is the documentary evidence to support other grant and transfers of Kshs.14, 150,980 that were not availed by the management during audit exercise	Resolved	30 th June 2022
4.8 Bursary	Note 7 to the financial statements reflects bursary to secondary schools of Kshs.17,603,000 and tertiary institutions of Kshs.24,800,000 all totaling to Kshs.42,403,000. However, approved guidelines by the Board for vetting of beneficiaries was not availed for audit verification and no evidence was availed to confirm that relevant national government agencies were consulted. Further, no documentary evidence was availed to confirm that the beneficiaries had applied for the bursary, were residents of the constituency, vetted and the disbursements were not acknowledged through official receipts or acknowledgement letters from beneficiary institutions.	The management will in future ensure that approved guidelines by the Board will strictly be adhered to during vetting of bursaries beneficiaries. However, attached are some of the acknowledgement letters/ official receipts from various institutions for various bursary beneficiaries	Resolved	30 th June 2022
4.9 Emergency Projects	Included in other grants and transfers figure of Kshs.67,516,880 reflected in the statement of receipts and payments is emergency expenditure of Kshs.10,962,900 as reflected in note 7 to the financial statements and Appendix III which was not supported with any verifiable documentary evidence that the projects were of emergency in nature. Further, the expenditure was not supported with expenditure returns, bills of quantities for construction works, inspection and acceptance reports and the utilization of the emergency reserve to the board within thirty (30) days of the occurrence of the emergency as	Attached is the documentary evidence for Emergency fund of Ksh 10,962,900 to prove the projects were of emergency in nature that were not availed by the management during audit exercise	Resolved	30 th June 2022

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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)
	required in Regulation 20 (2) of the National Government Constituencies Development Fund Regulations, 2016.			
4.10 Cash and Cash Equivalents	The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.84,501 as at 30 June 2021. However, the bank reconciliation statement for the month of June 2021 reflects unrepresented cheques totalling to Kshs.11,132,318 which included stale cheques totalling to Kshs.2,706,698 as shown in Appendix IV which have not been replaced and reversed in the cashbook. No explanation was provided for failure to replace and reverse the stale cheques in the cashbook. Further, the bank reconciliation statement reflects receipts in cash book not in bank statement of Kshs.4,990,000 which was not supported and payments in bank statement but not in cash book of Kshs.856,470 which have not been disclosed in the financial statements and included cash withdraws of Kshs.504,850 as shown below which has not been explained	Attached is the extract of Cashbook to support receipts in cash book not in bank statement of Kshs.4,990,000. Also included is the cash withdrawals of Kshs.504,850 payments in bank statements not in cashbook of Kshs.856,470 reflected in the bank reconciliation statement. The management has also resolved to replace all the stale cheques	Resolved	30 th June 2022
4.11 Project Management Committee (PMC) Bank Balances	Note 17.4 to the financial statements reflects PMC account balance figure of Kshs.866,372 as detailed in annex 5 of the financial statements relating to completed projects. However, the bank account has not been closed and balances transferred to the constituency account as stipulated in Section 7 (1) of the National Government Constituencies Development Fund Act, 2015. The PMC bank account cash books, bank statements, bank reconciliations statements, certificate of bank balances and quarterly report to a Constituency Committee on the status of the project management committee accounts were not availed for audit verification. Further, the movement of prior year PMC account balances of Kshs.3,599,557 have also not been supported.	Attached is the management documentary evidence in support of PMC account balances	Resolved	30 th June 2022

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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)
4.12 Fixed asset register	Annex 4 to the financial statements reflect summary of fixed assets register total of Kshs.16,186,359 as at 30 June 2022 reflects fixed assets balance of Kshs.16,186,359. However, the assets register indicating the description of the assets, purchase date, serial number, purchase cost, physical location and condition was not availed for audit verification.	Attached is the Full asset register for your audit verification	Resolved	30 th June 2022
4.13 Lack of Risk Management Policy	The Fund does not have a risk management policy that guides on assessment and evaluation of risk and develop strategies to mitigate them contrary to Regulation 165 (1) the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the National Government entity develops a risk management strategies, which include fraud prevention mechanism, and a system of risk management and internal control that builds robust business operations.	In future, the The management will develop a risk management policy in order to comply with the requirements of the law as per Regulation 165 (1) of the Public Finance Management (National Government) Regulations,	Resolved	30 th June 2022

William Saitoti Njireri
 Fund Account Manager
 Narok South Constituency