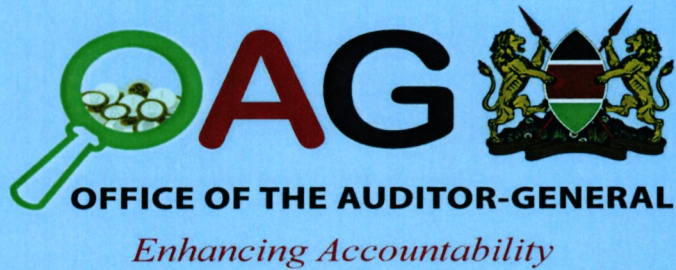


REPUBLIC OF KENYA



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REPORT

OF

THE NATIONAL ASSEMBLY	
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DATE:	22 NOV 2022
	DAY: Tuesday
TABLED BY:	LOM
CLERK-AT-THE-TABLE:	Lemona

THE AUDITOR-GENERAL

ON

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

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





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

REPORTS AND FINANCIAL STATEMENTS

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

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



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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Narok West Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mr. Robinson Kamakei.
2.	Sub-County Accountant	CPA. Joseph Njugi.
3.	Chairman NGCDFC	Mr. Jairus Kipees.
4.	Member NGCDFC	Mr. Nick Kupai

(d) Fiduciary Oversight Arrangements

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

(e) Narok West Constituency NGCDF Headquarters

P.O. Box 124-20503
Ololulunga CDF Complex
Narok-Bomet Highway
Ololulunga, Kenya.



(f) Narok West Constituency NGCDF Contacts

Telephone: (254)-0726318857
E-mail: cdfnarokwestconstituency@ngcdf.go.ke
Website: www.ngcdfnarokwestconstituency.go.ke

(g) Narok West Constituency NGCDF Bankers

Equity Bank Kenya Limited
Narok Branch
A/C No.0360262484301
P O Box 1023-20500
Narok Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



On behalf of NAROK WEST NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2020/2021 annual report and financial statements for the fund.

NAROK WEST 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 WEST 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 WEST 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 West has been able to achieve the following during the financial year;

A total of 42classrooms, 4dormitories, 2laboratories, 3administration blocks 3 teacher houses, 2dining halls and 32toilet 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 WEST NG-CDF committee also funded the construction of 5 security facilities amounting to ksh.3, 740,000 in the year which have enhanced security in the constituency.

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

In addition, the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of ksh.24, 500,000 was awarded as bursary to needy students in the constituency. NAROK WEST NG-CDF committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

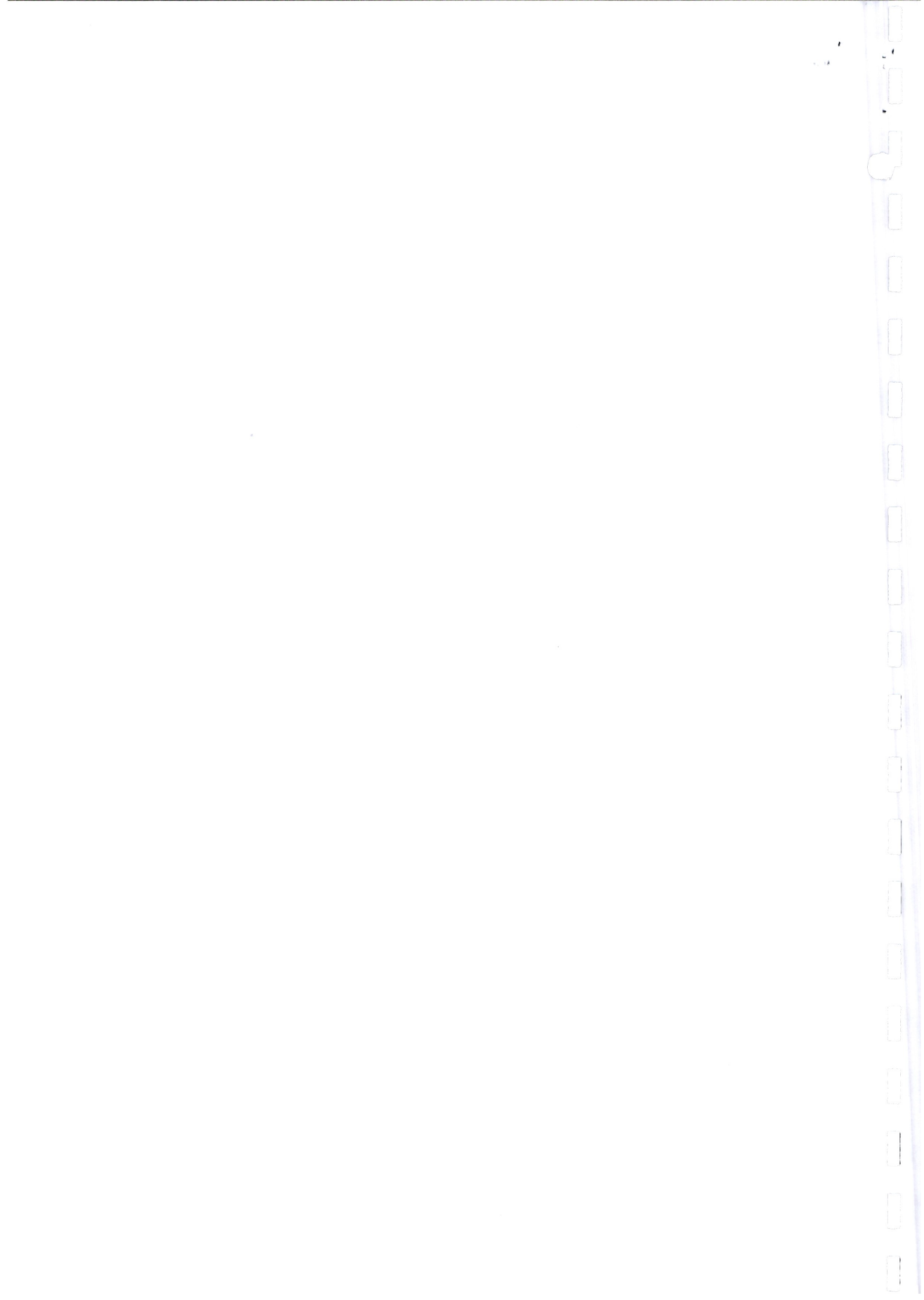
A). Budget Performance

In the financial year 2020/2021 NAROK WEST 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, 2021, NAROK WEST NG-CDF had a cumulative approved budget of Kshs 210,917,633 out of which Kshs 160,328,754 was received from the NG-CDF Board while a balance of Kshs 50,588,879 is yet to be received, out of which Kshs 5,500,000 being funds pending approval.

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

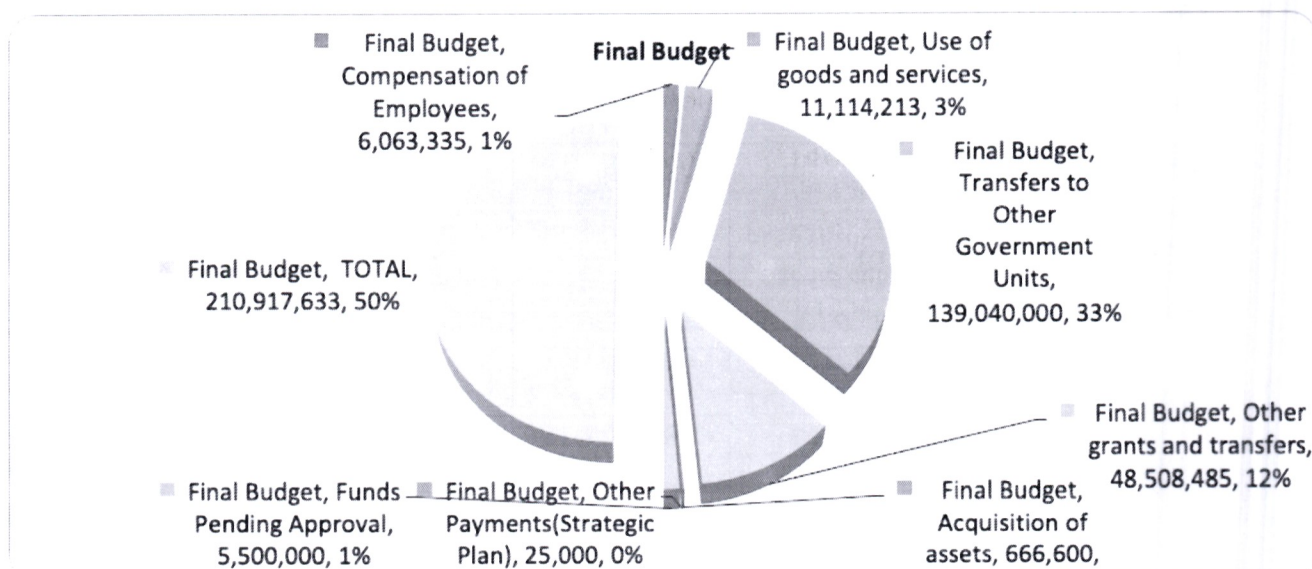
Kes 99,900,000 was disbursed to various schools and other government agencies for implementation of the approved projects,
Kes 25,218,965 was issued as bursaries to needy students in the constituency,
Kes 6,775,601 was used in payment of NG-CDF committee allowances, monitoring, evaluation, use of goods and services and other administration expenses,
Kes 4,267,798 was used in payment of NG-CDFC staff salaries and gratuity,
Kes 3,740,000 was used to fund security projects in the constituency during the financial year,
Kes 2,449,600 was disbursed to NAROK WEST NG-CDFC Environment project to fund Environment conservation activities,
Kes 2,306,393 was disbursed to NAROK WEST NG-CDFC sports project to fund sporting activities,
Kes 1,100,350 was used to fund emergency occurrences in the constituency,

The performance during the year is summarised as follows;

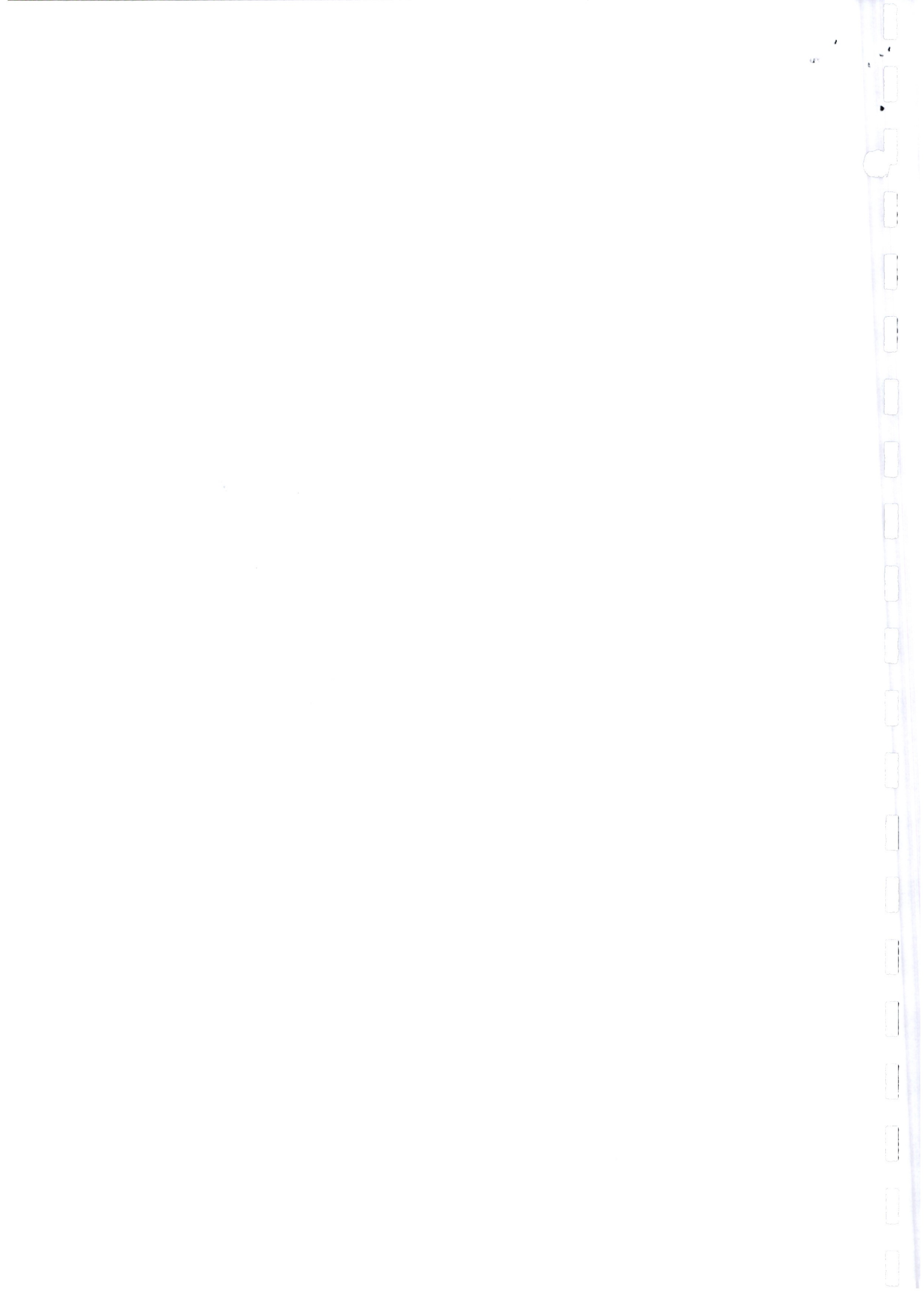


NAROK WEST Constituency
National Government Constituencies Development Fund (NGCDF)
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PAYMENTS	Final Budget	Total Expenditure	Budget utilization difference	% of utilization
Compensation of Employees	6,063,335	4,267,798	1,795,537	70.4%
Use of goods and services	11,114,213	6,775,601	4,338,612	61.0%
Transfers to Other Government Units	139,040,000	99,900,000	39,140,000	71.8%
Other grants and transfers	48,508,485	34,815,304	13,693,181	71.8%
Acquisition of assets	666,600	401,000	265,600	60.2%
Other Payments(Strategic Plan)	25,000	-	25,000	0.0%
Funds Pending Approval	5,500,000		5,500,000	0.0%
TOTAL	210,917,633	146,159,704	64,757,930	69.3%



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





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

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

- ❖ Overdependence of the fund by the public and National government functions on all development related needs.

(To overcome this, NAROK WEST 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 WEST 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 WEST NG-CDF is focusing on allocating enough funds to complete the project within at most 2 years).

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

Signature

Mr. Jairus Kipees,



Chairman NGCDF Committee



III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of Narok West *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	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 20/21 -among others, we increased number of classrooms, dormitories, laboratories, school buses etc from 215 to 256 in the following schools/institutions -Ilmotiok Secondary -Olkiloriti primary school. -Kishemoruak Sec. - Bursary beneficiaries at all levels were approximately 7,000 across all levels of Education

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

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 20/21 We built one (1) police station in Lemek 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 20/21 -we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and planted in various schools approximately 4,000 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 20/21 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward 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 20/21 -we constructed 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 WEST 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 WEST NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** NAROK WEST 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 WEST 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 WEST 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 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

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



- NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

3. Employee welfare

We invest in providing the best working environment for our employees. NAROK WEST 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 WEST 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. NAROK WEST NGCF also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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

4. Market place practices-

NAROK WEST NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

NAROK WEST 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

NAROK WEST Constituency

National Government Constituencies Development Fund (NGCDF)

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

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.

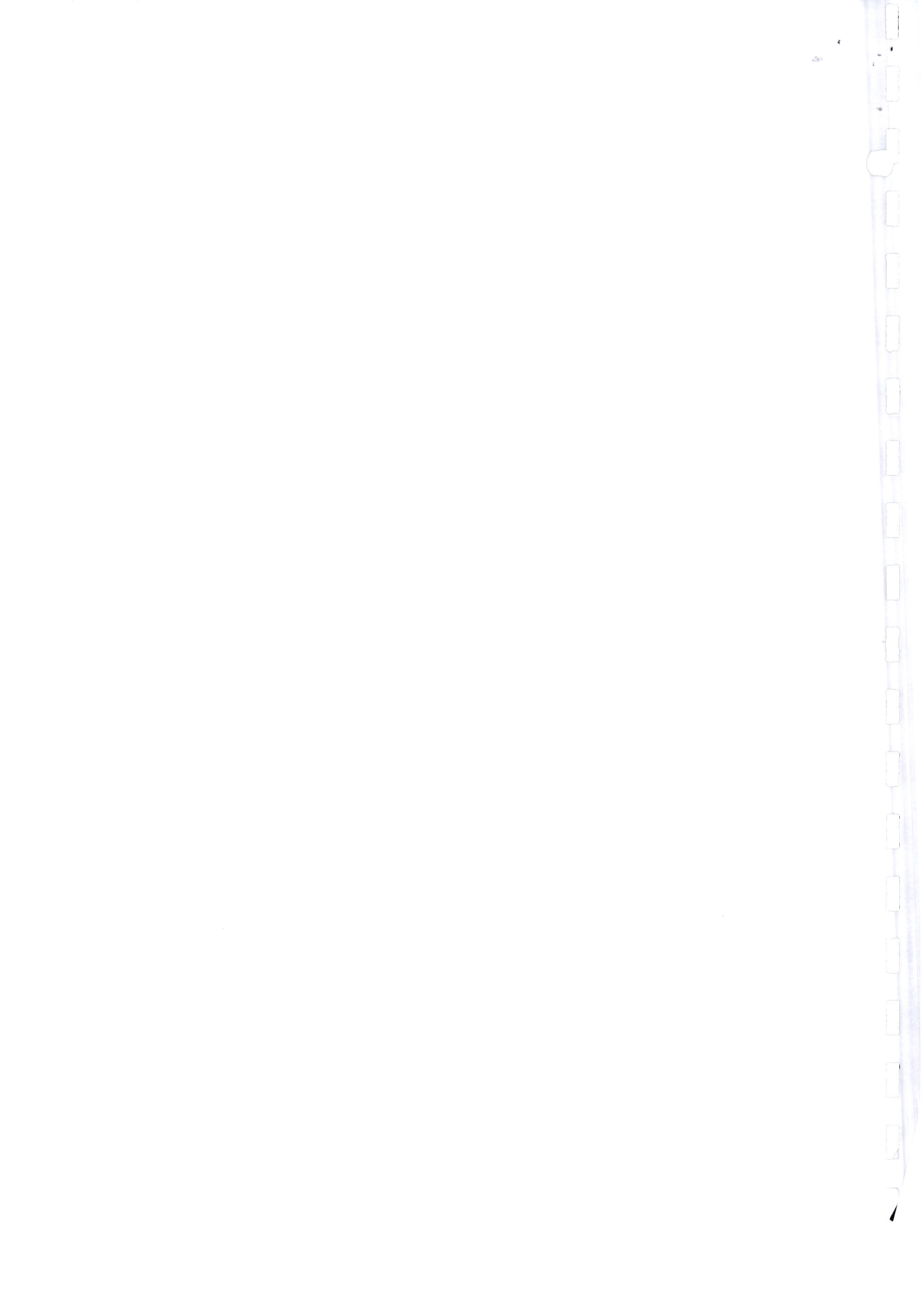
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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 WEST 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.

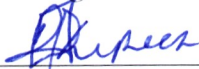
The Accounting Officer in charge of the NGCDF-Narok West Constituency is responsible for the preparation and presentation of the NGCDF Narok West's financial statements, which give a true and fair view of the state of affairs of the NGCDF Narok West for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NGCDF NAROK WEST; (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 WEST; (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 West Constituency accepts responsibility for the NGCDF Narok West'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 West's transactions during the financial year ended June 30, 2021, and of the NGCDF Narok West's financial position as at that date. The Accounting Officer charge of the NGCDF- Narok West 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 WEST's financial statements as well as the adequacy of the systems of internal financial control.

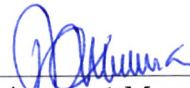
The Accounting Officer in charge of the NGCDF Narok West Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF Narok West's funds received during the year under audit 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 WEST Constituency financial statements were approved and signed by the Accounting Officer on 30/09/2021 2021.



Chairman NGCDF Committee
Name: Mr. Jairus Kipees.

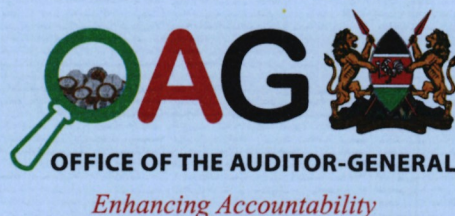


Fund Account Manager
Name: Mr. Robinson Kamakei.



REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Narok West Constituency set out on pages 17 to 52, which comprise of the statement of assets and liabilities as at 30 June, 2021, statement

Report of the Auditor-General on National Government Constituencies Development Fund - Narok West Constituency for the year ended 30 June, 2021

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 West Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015

Basis for Qualified Opinion

Inaccuracy in Cash and Cash Equivalents

The statement of assets and liabilities reflect cash and cash equivalents balance of Kshs.13,858,052 whereas Note 10A to the financial statements reflects a balance of Kshs.14,123,500 resulting to an unexplained and an unreconciled difference of Kshs.265,448.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs,13,858,500 could not be confirmed.

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

Other Matter

1. Budgetary Control and Performance

The statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.210,979,633 and Kshs.160,390,754 respectively resulting to an underfunding of Kshs.50,588,879 (or 24%) of the budget. Similarly, the Fund expended Kshs.146,159,704 against an approved budget of Kshs.210,979,633 resulting to an under expenditure of Kshs.64,819,931 or 31% of the budget

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

2. Unresolved Prior Year Matters

In the audit report of the previous year, a number of paragraphs were raised under the Report on Financial Statements. However, Management has not resolved the issues nor disclosed all the prior year matter as provided by the Public Sector Accounting Standards Board templates.

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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board Template

Review of the financial statements presented for audit revealed the following errors;

- i. The opening and closing balances for Project Management Committee (PMC) balances in Note 17.4 to financial statement were omitted.
- ii. The closing and opening balances of summary of fixed assets register at Annex 4 to financial statement were Kshs.20,285,110 and Kshs.6,193,924 respectively. This resulted to an unexplained a variance of Kshs.14,091,186.
- iii. The financial statements omitted the sequential page numbering from pages 20 to 54.

In the circumstances, Management did not comply with the requirements of the Public Sector Accounting Standard Board template.

2. Lack of Ownership Document

The statement of receipts and payments and as disclosed in Note 6 to the financial statements, reflects transfers to other government units amount of Kshs.99,900,000. Included in this amount are transfers to secondary schools amounting to Kshs.27,000,000 out of which Kshs.7,000,000 was transferred to Ilmotiok Secondary School for the purchase of a 51-seater school bus. However, the Log book for the school bus was not provided for audit and the bus could not be physically verified during the audit

In the circumstances, value for money on the expenditure of Kshs.7,000,000 could not be confirmed.

3. Projects Implementation

Review of the project implementation status report as of 30 June, 2021 indicated that, eighty (80) projects with an allocation of Kshs.123,855,610 were at different implementation status. Twenty-three (23) projects costing Kshs.52,800,000 were complete and in use, three (3) projects costing Kshs.9,600,000 were ongoing, thirty-nine (39) projects costing Kshs.16,415,610 had neither started nor had the tendering process commenced. Further, fifteen (15) projects costing Kshs.45,040,000 had not been started due to non-release of funds. In addition, the following unsatisfactory observations were noted;

3.1 Incomplete Projects

Three (3) projects with a funding allocation of Kshs.9,600,000 were incomplete. No satisfactory explanation has been rendered for not implementing the projects in time.

In the circumstances, the Fund has not received value for money from the incomplete projects.

3.2 Procurement of Buses

The Fund procured two buses for two primary schools at a total cost of Kshs.14,000,000 as per the LPO No.001 dated 27 September, 2020. One of the specifications for the buses was that they were to be fully built 51-seater semi luxury bus. However, physical inspection of the buses delivered in April, 2022 revealed that the buses were 46-seater contrary to Section 48(3)(b) of the Public Procurement and Assets Disposal Act, 2015 which requires the inspection and acceptance committee to inspect and review goods, works or services in order to ensure compliance with the terms and specifications of the contract. In addition, the logbooks for these vehicles were also not provided for audit

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

3.3 Failure to Provide Completion Certificates

Ten (10) completed projects valued at Kshs.16,700,000 were inspected on in April, 2022. However, completion certificates were not provided for audit and no explanation was provided for the deficiencies in projects implementation contrary to Section 25(1) of NG CDF Act, 2015

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

4. Unaccounted for Bursaries

The statement of receipts and payments reflects other grants and transfers amount of Kshs.34,815,304 which includes expenditure totalling to Kshs.25,218,961 in respect of bursaries to secondary schools and tertiary institutions as disclosed in Note 7 to the financial statements. However, the following unsatisfactory matters were observed;

- i. The Fund made bursary payments totalling to Kshs.25,218,961. However, Management did not provide for audit the approved/signed education bursary subcommittee meeting minutes stipulating the selection and award process including criteria of the National Government Constituency Development Fund Board circular no: NG-CDFB/CEO/BOARD CIRCULARS VOL II (021).
- ii. The Constituency Development Fund Committee (CDFC) did not maintain a bursary applications register indicating how vetting is done and how the successful applicants were awarded the bursary.
- iii. The list of beneficiaries provided revealed that the total bursaries issued amounted to Kshs.13,141,000 whereas the financial statement reflected an amount of Kshs.25,218,961 resulting to an unreconciled variance of Kshs.12,077,961. In addition, bursary payments totalling to Kshs.2,685,000 were not supported with details of beneficiaries such as, admission numbers, name of student, name of Institution and amount for each student.
- iv. As per the project code list for the financial year 2020-2021 the amount allocated for bursaries was Kshs.24,500,000 against an expenditure amount of Kshs.25,218,961 resulting to an over-expenditure of Kshs.718,961.

In the circumstances, the propriety of the expenditure amounting to Kshs.25,218,961 could not be confirmed as a proper charge to public funds.

5. Environment Projects not Implemented by Project Management Committee

The statement of receipts and payments reflects other grants and transfers amount of Kshs.34,815,304 as disclosed in Note 7 to the financial statements, out of which an amount of Kshs.2,449,600 relates to an expenditure on environment projects.

Review of the Fund's records indicates that the Fund procured the services of a supplier to purchase and install 10,000 Litre water tanks, gutters and water bases for eight (8) Primary Schools. The procurement of the supplier was done by the Constituency Committee which is contrary to the Fund's Regulations 2016. The eight (8) Primary Schools acknowledged the receipt of water tanks from the supplier, but, installation of the gutters and water bases had not been done by the contractor.

In the circumstances, Constituents failed to get value for money from the expenditure.

6. Closure of Project Management Committee Bank Accounts

Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balances for forty-three (43) bank accounts totalling to Kshs.16,415,610. Included in this balance are twenty (20) projects with a total balance of Kshs.2,242,810 reflected at annex 3 on unutilized funds with a status of completed and in use, However, the bank accounts for the completed projects which were indicated as complete and were still active. This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that, 'All unutilized funds of the Project Management Committee shall be returned to the Constituency account'.

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, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective

Basis for Conclusion

Lack of Staff Establishment and Scheme of Service

Examination of personnel records disclosed that the Fund did not have an approved scheme of service for its staff to define job categories by profession, qualifications and experience, career progression and conditions of progression.

In the absence of a scheme of service, it was not possible to ascertain how recruitment and promotion of staff is conducted.

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 overall governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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

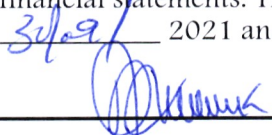
06 September, 2022

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

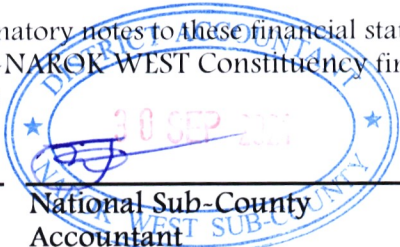
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	155,867,724	75,500,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	62,000	-
TOTAL RECEIPTS		155,929,724	75,500,000
PAYMENTS			
Compensation of employees	4	4,267,798	4,156,096
Use of goods and services	5	6,775,601	5,511,957
Transfers to Other Government Units	6	99,900,000	69,960,000
Other grants and transfers	7	34,815,304	41,433,784
Acquisition of Assets	8	401,000	-
Other Payments	9	-	-
TOTAL PAYMENTS		146,159,704	121,061,837
SURPLUS/(DEFICIT)		9,770,021	(45,561,837)


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK WEST Constituency financial statements were approved on 30/09/2021 2021 and signed by:



 Fund Account Manager



 National Sub-County
 Accountant



 Chairman NG-CDF
 Committee

Name: Mr. Robinson Kamakei

Name: CPA Joseph Njugi
 ICPAK M/No:

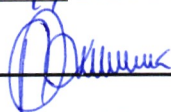
Name: Mr. Jairus Kipees.

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

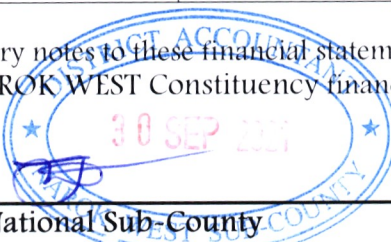
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	13,858,052	4,088,029
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		13,858,052	4,088,029
Accounts Receivable			
Outstanding Imprests	11	373,000	373,000
TOTAL FINANCIAL ASSETS		14,231,052	4,461,029
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		14,231,052	4,461,029
REPRESENTED BY			
Fund balance b/fwd	13	4,461,029	50,022,866
Prior year adjustments	14	-	-
Surplus/Deficit for the year		9,770,021	(45,561,837)
NET FINANCIAL POSITION		14,231,050	4,461,029

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK WEST Constituency financial statements were approved on 30/09/2021 2021 and signed by:



Fund Account Manager
 Name: Mr. Robinson Kamakei



National Sub-County
 Accountant
 Name: CPA Joseph Njugi
 ICPAK M/No:



Chairman NG-CDF Committee

Name: Mr. Jairus Kipees.



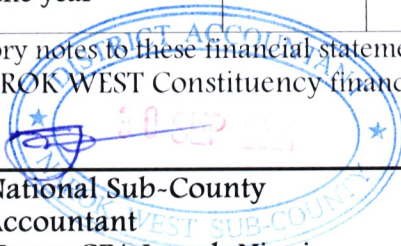
NAROK WEST Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

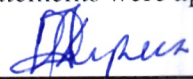
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	155,867,724	75,500,000
Other Receipts	3	62,000	-
Total receipts		155,929,724	75,500,000
Payments for operating activities			
Compensation of Employees	4	4,267,798	4,156,096
Use of goods and services	5	6,775,601	5,511,957
Transfers to Other Government Units	6	99,900,000	69,960,000
Other grants and transfers	7	34,815,304	41,433,784
Other Payments	9	-	-
Total payments		145,758,704	121,061,837
Total Receipts Less Total Payments		10,171,020	(45,561,837)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		10,171,021	(45,561,837)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	401,000	-
Net cash flows from Investing Activities		(401,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		9,770,021	(45,561,837)
Cash and cash equivalent at BEGINNING of the year	10	4,461,029	50,022,866
Cash and cash equivalent at END of the year		14,231,050	4,461,029

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK WEST Constituency financial statements were approved on 20/08/21 2021 and signed by:


Fund Account Manager
Name: Mr. Robinson Kamakei


National Sub-County
Accountant
Name: CPA Joseph Njugi
ICPAK M/No:


Chairman NG-CDF Committee
Name: Mr. Jairus Kipees.



N K T C iue
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis D	Budget utilization Difference e=c-d	% of Utilization f=d/c %
	A	B	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
RECEIPTS								
Transfers from NGCDF Board	2020/2021 Kshs				2020/2021 Kshs	30/06/2021 Kshs	Kshs	
Proceeds from Sale of Assets	137,088,879	4,461,029	69,367,724		210,917,633	160,328,754	50,588,879	76.0%
Other Receipts	-	-	-	-	-	-	-	-
TOTALS	137,088,879	4,523,029	69,367,724		210,979,633	160,390,754	50,588,879	76.0%
PAYMENTS								
Compensation of Employees	4,945,800	105,757	1,011,778		6,063,335	4,267,798	1,795,537	70.4%
Use of goods and services	7,392,196	885,320	2,836,697		11,114,213	6,775,601	4,338,612	61.0%
Transfers to Other Government Units	88,000,000	40,000	51,000,000		139,040,000	99,900,000	39,140,000	71.8%
Other grants and transfers	36,750,883	2,987,354	8,719,248		48,508,485	34,815,304	13,693,181	71.8%
Acquisition of Assets	-	366,600	300,000		666,600	401,000	265,600	60.2%
Other Payments	-	76,000	-		25,000	-	76,000	0.0%
Funds pending approval**	-	62,000	5,500,000		5,5620,000	-	5,562,000	0.0%
TOTALS	137,088,879	4,523,029	69,367,723		210,979,633	146,159,704	64,819,931	69.3%

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

- i. Compensation of Employees is underutilized due to non payment of staff gratuity as at the end of the financial year.
- ii. Use of goods and services is underutilized due to delay in disbursement of funds by the NG-CDF Board
- iii. Transfers to other government units is underutilized due to delay in disbursement of funds by the NG-CDF Board
- iv. Other grants and transfers are underutilized due to delay in disbursement of funds by the NG-CDF Board.

Explanation on the changes between the original and final budget as per IPSAS 1.9.23.;

- ❖ Kes 4,461,029 is the unutilized funds brought forward from FY 2019/2020(refer to cashbook/bank closing balance as at 30th June 2020).
- ❖ Kes 63,867,724.10 is the unutilized funds for FY 2019/2020 which was disbursed to the constituency by the NGCDF BOARD in FY 2020/2021 and reallocations within the budget.
- ❖ Kes 5,500,000 is the unutilized funds for FY 2019/2020 which is pending Approval by the NGCDF BOARD.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	64,757,930
Less undisbursed funds receivable from the Board as at 30 th June 2021	(50,526,879)
	14,231,050
Add Accounts payable	0
Less Accounts Receivable	(373,000)
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	13,858,050

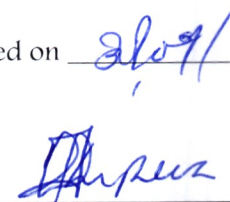
The NGCDF-NAROK WEST Constituency financial statements were approved on 2/07/2021 and signed by:



Fund Account Manager
 Name: Mr. Robinson Kamakei



National Sub-County
 Accountant
 Name: CPA Joseph Njugi
 ICPAK M/No:



Chairman NG-CDF Committee
 Name: Mr. Jairus Kipees.



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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,945,800		105,757	1,011,778	6,063,335	4,267,798	1,795,537
1.2 Committee allowances	2,779,530		-	-	2,779,530	725,400	2,054,130
1.3 Use of goods and services	500,000		76,320	2,151,403	2,727,723	1,205,601	1,522,122
2.0 Monitoring and evaluation							
2.1 Capacity building	2,000,000		-	-	2,000,000	850,000	1,150,000
2.2 Committee allowances	1,500,000		809,000	685,294	2,994,294	3,416,000	(421,706)
2.3 Use of goods and services	612,666		-	-	612,666	578,600	34,066
3.0 Emergency							
	7,192,206		-	536,490	7,728,696	1,100,350	6,628,346
4.0 Bursary and Social Security							
4.1 Primary Schools	-		-	-	-	-	-
4.2 Secondary Schools	13,500,000		-	-	13,500,000	12,498,513	1,001,487
4.3 Tertiary Institutions	11,000,000		-	1,785,403	12,785,403	12,720,448	64,955
4.4 Universities	-		-	-	-	-	-
4.5 Social Security	-		-	-	-	-	-
5.0 Sports							
	1,816,899		-	497,355	2,314,254	2,306,393	7,861
6.0 Environment							
Embiti Primary School	217,722		-	-	217,722	217,722	-

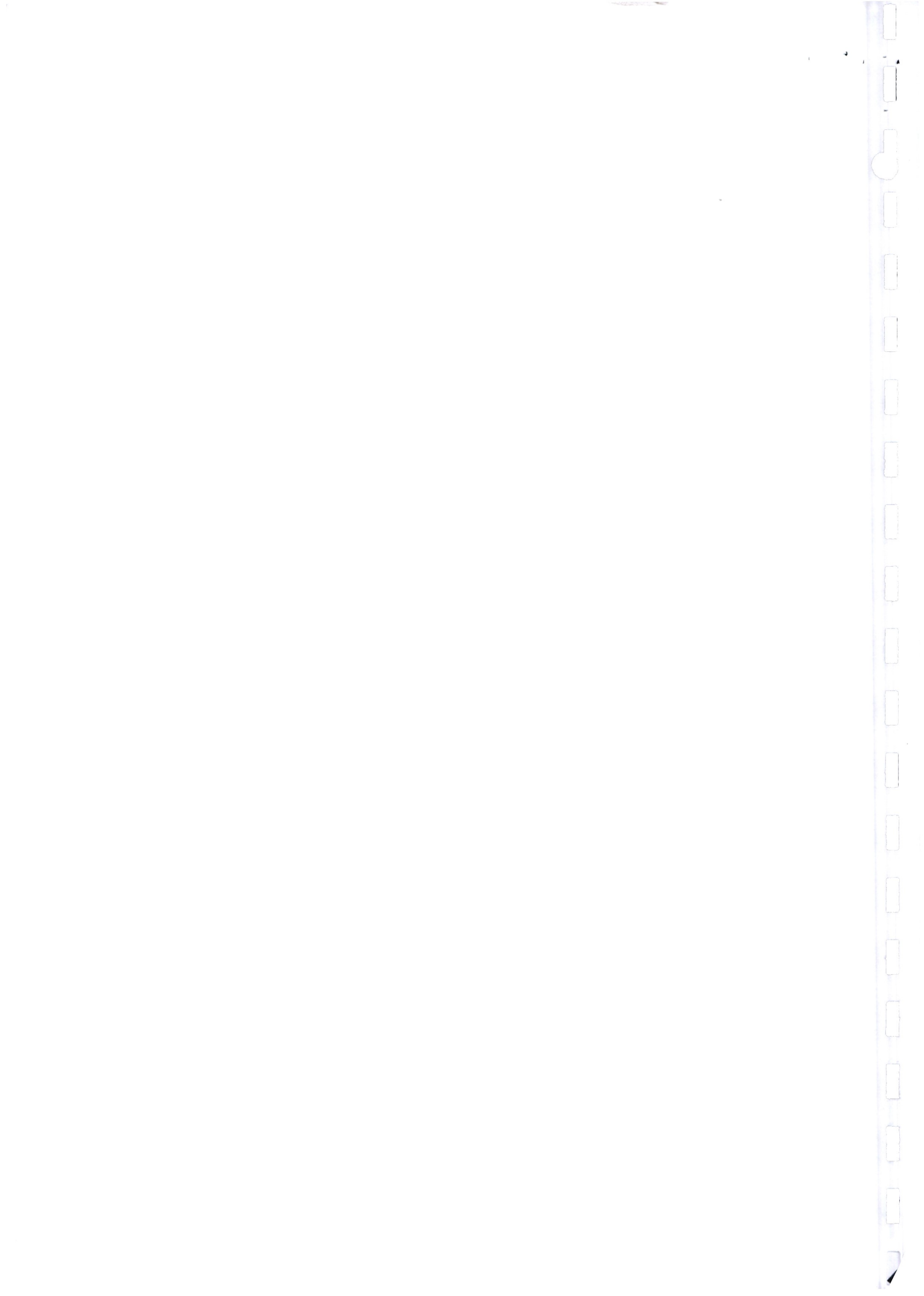
Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Endoinyo Narasha primary school	217,722	-	-	217,722	217,722	-
Koitamugul primary school	217,722	-	-	217,722	217,722	-
Kaporet primary school	217,722	-	-	217,722	217,722	-
Ole Nabaala Primary School	217,722	-	-	217,722	217,722	-
Laila primary school	217,722	-	-	217,722	217,722	-
Olkoroi primary school	217,722	-	-	217,722	217,722	-
Oldisare primary school	217,722	-	-	217,722	179,944	37,778
Iretet Primary School	-	93,419	-	93,419	93,419	-
Nasoretet Primary School	-	93,419	-	93,419	93,419	-
Oloonchura Primary School	-	93,419	-	93,419	93,419	-
Oloibornurt Primary School	-	93,419	-	93,419	93,419	-
Enoosito Primary School	-	93,419	-	93,419	93,419	-
Olmuseriji Primary School	-	93,419	-	93,419	93,419	-
Laluk Primary School	-	93,419	-	93,419	93,419	-
Mogoiwet Primary School	-	93,419	-	93,419	91,665	1,754
7.0 Primary Schools Projects (List all the Projects)						
Ilmotiok Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Oloolaimutia Primary School	4,000,000	-	-	4,000,000	3,000,000	1,000,000
Oloonchura primary school	2,000,000	-	-	2,000,000	2,000,000	-
Isintin primary school	1,000,000	-	-	1,000,000	1,000,000	-
Olesere primary school	2,500,000	-	-	2,500,000	2,500,000	-
Olare Owang Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Mwangaza Primary Sch	1,000,000	-	-	1,000,000	-	1,000,000



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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Esoit Primary Sch	7,000,000			7,000,000	-	7,000,000
Opalagilagi Primary Sch	4,000,000			4,000,000	2,000,000	2,000,000
Mpiro Primary Sch	2,000,000			2,000,000	2,000,000	-
Olenkuya Primary Sch	2,000,000			2,000,000	2,000,000	-
Mara Kupa Primary Sch	1,000,000			1,000,000	1,000,000	-
Olopilukuuya Primary Sch	1,000,000			1,000,000	1,000,000	-
Kipaepae Primary Sch	1,000,000			1,000,000		1,000,000
Asiga Primary School	2,000,000			2,000,000	1,000,000	1,000,000
Oloonkerin Primary Sch	4,000,000			4,000,000	4,000,000	-
Koitamugul Primary Sch	1,000,000			1,000,000	1,000,000	-
Sirinik Primary Sch	1,000,000			1,000,000		1,000,000
Oldany Primary Sch	1,000,000			1,000,000	-	1,000,000
Oltepesi Primary Sch	1,000,000			1,000,000	-	1,000,000
Lepolos Primary Sch	1,000,000			1,000,000	1,000,000	-
Mararianda Primary School					1,000,000	-
Olkinyei Primary School			2,000,000	2,000,000	2,000,000	-
Kutete Primary School			2,000,000	2,000,000	2,000,000	-
Asiga Primary School			950,000	950,000	950,000	-
Nkoshuash Primary School			950,000	950,000	950,000	-
Lemek Boarding Fry School			2,500,000	2,500,000	2,500,000	-
Endoinyo Erinka Fry School			4,000,000	4,000,000	4,000,000	-
Talek Primary School			3,500,000	3,500,000	3,500,000	-
Nasoretet Primary School			950,000	950,000	950,000	-
Olderkesi Primary School			1,900,000	1,900,000	1,900,000	-
Olomonira Primary School			1,000,000	1,000,000	1,000,000	-

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olabura Primary School			950,000	950,000	950,000	-
Iretet Primary School			1,700,000	1,700,000	1,700,000	-
Nkineji Primary School			2,500,000	2,500,000	2,500,000	-
Talek Primary School			3,500,000	3,500,000	3,500,000	-
Endoinyo Erinka Fry School			3,000,000	3,000,000	3,000,000	-
Olkiloriti Primary School			5,500,000	5,500,000	5,500,000	-
Nferere Primary School			2,200,000	2,200,000	2,200,000	-
Olmusereji Primary School			1,100,000	1,100,000	1,100,000	-
Ilkerra Primary School			1,000,000	1,000,000	1,000,000	-
Lemek Boarding Fry School			600,000	600,000	600,000	-
Olofturoto Primary School			1,000,000	1,000,000	1,000,000	-
Nkineji Primary School			600,000	600,000	600,000	-
Sekenani Primary School		40,000		40,000	-	40,000
8.0 Secondary Schools Projects (List all the Projects)						
Moi Naikarra sec school	2,000,000			2,000,000	2,000,000	-
Salabwek Sec Sch	4,000,000			4,000,000	2,000,000	2,000,000
Olmusereji Day Sec Sch	2,000,000			2,000,000	2,000,000	-
Olchoro Sec Sch	4,500,000			4,500,000	2,500,000	2,000,000
Mogoiwet Sec Sch	4,000,000			4,000,000	2,000,000	2,000,000
Laluk Sec Sch	1,000,000			1,000,000	1,000,000	-
Kishemoruka sec school	19,000,000			19,000,000	-	19,000,000
Mararianda sec school	10,000,000			10,000,000	6,000,000	4,000,000
Ilmotiook Secondary School			3,500,000	3,500,000	3,500,000	-



National Government Constituencies Development Fund (NGCDF)

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Ilmotook Secondary School			3,500,000	3,500,000	3,500,000	-
Ronkena Secondary School			4,500,000.00	4,500,000	4,500,000	-
Nkorrorri Sec School			-	-	-	-
9.0 Tertiary institutions Projects (List all the Projects)						
Keroka TTI			-	-	-	-
10.0 Security Projects						
Lemek administration police	1,500,000			1,500,000	1,500,000	-
Narok West Motorcycles for chiefs		2,240,000		2,240,000.00	2,240,000	-
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment		366,600	300,000	666,600	401,000	265,600
11.4 Purchase of computers				-	-	-
11.5 Purchase of land				-	-	-
12.0 Others						
12.1 Strategic Plan		25,000	-	25,000		25,000
12.2 Innovation Hub						
12.3 Roads		51,000	-	51,000		51,000
Funds pending approval**		62,000	5,500,000	5,562,000		5,562,000
Total	137,088,879	4,523,031	69,367,724	210,979,635	146,159,703	64,819,931



XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

Transfers from the NG-CDF BOARD 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 NGCDF NAROK WEST recognises all payments when the event occurs and the related cash has actually been paid out by the NGCDF NAROK WEST.

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions



NAROK WEST Constituency

National Government Constituencies Development Fund (NGCDF)

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

The NGCDF NAROK WEST 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 NGCDF NAROK WEST, or vice versa.

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO. B041168	1		4,000,000
AIE NO. B047997	2		6,000,000
AIE NO.	3		7,000,000
AIE NO. B104059	4		14,000,000
AIE NO. B104438	5		24,000,000
AIE NO. B047565	6		500,000
AIE NO. B047633	7		20,000,000
AIE NO. B047007	1	15,000,000	
AIE NO. B041083	2	21,000,000	
AIE NO. A823701	3	21,127,724	
AIE NO. B124635	4	9,000,000	
AIE NO. B124867	5	6,740,000	
AIE NO. B119604	6	10,000,000	
AIE NO. B119994	7	13,000,000	
AIE NO. B12823	8	6,900,000	
AIE NO. B129197	9	6,000,000	
AIE NO. B132291	10	6,000,000	
AIE NO. B138960	11	13,000,000	
AIE NO. B126252	12	6,100,000	
AIE NO. B105047	13	10,000,000	
AIE NO. B 047007	14	12,000,000.00	
TOTAL		155,867,724	75,500,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00



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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from sale of tender documents	62,000.00	0.00
Hire of plant/equipment/facilities	0.00	0.00
Unutilized funds from PMCs	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	62,000.00	0.00

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,064,124	2,713,847
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,173,474	1,415,449
Employer Contributions Compulsory national social security schemes	30,200	26,800
Total	4,267,798	4,156,096

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	4,141,400	1,306,000
Utilities, supplies and services	754,271	1,404,757
Communication, supplies and services	-	-
Domestic travel and subsistence	305,700	-
Printing, advertising and information supplies & services	5,000	-
Rentals of produced assets	-	-
Training expenses	850,000	-
Hospitality supplies and services	271,800	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	73,000	-
Other operating expenses	77,000	2,767,700
Routine maintenance – vehicles and other transport equipment	297,430	33,500
Routine maintenance – other assets	-	-
Total	6,775,601	5,511,957



NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	72,900,000	58,360,000
Transfers to secondary schools (see attached list)	27,000,000	11,600,000
Transfers to tertiary institutions (see attached list)		
TOTAL	99,900,000	69,960,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,498,513	13,552,863
Bursary – tertiary institutions (see attached list)	12,720,448	8,388,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		-
Security projects (see attached list)	3,740,000	2,500,000
Sports projects (see attached list)	2,306,393	130,518
Environment projects (see attached list)	2,449,600	-
Emergency projects (see attached list)	1,100,350	9,862,403
Roads Projects (see attached list)	-	7,000,000
Total	34,815,304	41,433,784

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	401,000	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
		-
Total	401,000	-

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	0.00	0.00
ICT Hub	0.00	0.00
	0.00	0.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>EQUITY BANK NAROK BRANCH-NAROK WEST NGCDF-A/C no.0360262484301</i>	14,123,500	4,088,029
Total	14,123,500	4,088,029
10B: CASH IN HAND		
Location 1	0.00	0.00
Total	0.00	0.00

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>
		Kshs	Kshs	Kshs
<i>RASHID IREGI</i>	30.06.2017	373,000	-	373,000
Total		373,000	0.00	373,000

[NG-CDF Board working to recover Kshs.373, 000 from Rashid Iregi.

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	0.00	0.00
Retention held during the year (B)	0.00	0.00
Retention paid during the Year (C)	0.00	0.00
Closing Retention as at 30 th June D= A+B-C	0.00	0.00

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	0.00	0.00
Gratuity held during the year (B)	0.00	0.00
Gratuity paid during the Year (C)	0.00	0.00
Closing Gratuity as at 30 th June D= A+B-C	0.00	0.00



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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	4,088,029	49,649,866
Cash in hand	0.00	0.00
Imprest	373,000	373,000
Total	4,461,029	50,022,866

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0.00	0.00	0.00
Cash in hand	0.00	0.00	0.00
Accounts Payables	0.00	0.00	0.00
Receivables	0.00	0.00	0.00
Others (<i>specify</i>)	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
closing accounts in account receivables D= A+B-C	0.00	0.00



NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	0.00	0.00
Deposit and Retentions held during the year (B)	0.00	0.00
Deposit and Retentions paid during the Year (C)	0.00	0.00
closing account receivables D= A+B-C	0.00	0.00



NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	0.00	0.00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	0.00	0.00

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,795,537	1,117,535
Use of goods and services	4,338,612	3,722,017
Amounts due to other Government entities (see attached list)	45,040,000	51,040,000
Amounts due to other grants and other transfers (see attached list)	7,742,181.92	17,257,602
Acquisition of assets	265,600	666,600
Others (<i>strategic plan</i>)	76,000	25,000
Funds pending approval**	5,562,000	
	64,819,931	73,828,754



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	xx	xx
	xx	xx

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
Construction of buildings	a	B	c	d=a-c	
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.					
11.					
12.					
Sub-Total					
Grand Total					



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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	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 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		1,795,537	1,117,535	Awaiting Funding from the NGCDF Board
Use of goods & services		4,338,612	3,722,017	Awaiting Funding from the NGCDF Board
Amounts due to other Government entities				
Oloolaimutia Primary School		1,000,000		Awaiting Funding from the NGCDF Board
Mwangaza Primary Sch		1,000,000		Awaiting Funding from the NGCDF Board
Esoit Primary Sch		7,000,000		Awaiting Funding from the NGCDF Board
Olpalagilagi Primary Sch		2,000,000		Awaiting Funding from the NGCDF Board
Kipaepae Primary Sch		1,000,000		Awaiting Funding from the NGCDF Board
Asiga Primary School		1,000,000		Awaiting Funding from the NGCDF Board
Sirinik Primary Sch		1,000,000		Awaiting Funding from the NGCDF Board
Oldany Primary Sch		1,000,000		Awaiting Funding from the NGCDF Board
Oltepesi Primary Sch		1,000,000		Awaiting Funding from the NGCDF Board
Mararianda Primary School			2,000,000	Project now complete and in use
Olkinyei Primary School			2,000,000	Project now complete and in use
Kutete Primary School			2,000,000	Project now complete and in use
Asiga Primary School			950,000	Project now complete and in use
Nkoshuash Primary School			950,000	Project now complete and in use
Lemek Boarding Pry School			2,500,000	Project now complete and in use
Endoinyo Erinka Pry School			4,000,000	Project now complete and in use
Talek Primary School			3,500,000	Project now complete and in use
Nasoretet Primary School			950,000	Project now complete and in use
Olderkesi Primary School			1,900,000	Project now complete and in use



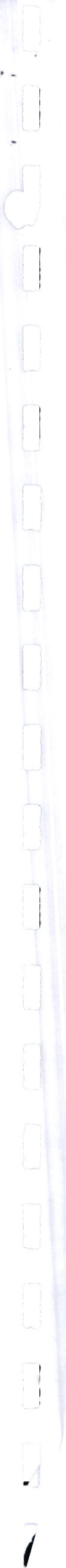
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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Olomonira Primary School			1,400,000	On-going
Olabura Primary School			950,000	Project now complete and in use
Iretet Primary School			1,700,000	Project now complete and in use
Nkineji Primary School			2,500,000	Project now complete and in use
Talek Primary School			3,500,000	Project now complete and in use
Endoinyo Erinka Fry School			3,000,000	Project now complete and in use
Olkiloriti Primary School			5,500,000	Project now complete and in use
Nterere Primary School			2,200,000	Project now complete and in use
Olmusereji Primary School			1,100,000	Project now complete and in use
Ilkerra Primary School			1,000,000	Project now complete and in use
Lemek Boarding Fry School			600,000	Project now complete and in use
Oloturoto Primary School			1,000,000	Project now complete and in use
Nkineji Primary School			600,000	Project now complete and in use
Sekenani Primary School		40,000	40,000	
Salabwek Sec Sch		2,000,000		Awaiting Funding from the NGCDF Board
Olchoro Sec Sch		2,000,000		Awaiting Funding from the NGCDF Board
Mogoiwet Sec Sch		2,000,000		Awaiting Funding from the NGCDF Board
Kishemoruka sec school		19,000,000		Awaiting Funding from the NGCDF Board
Mararianda sec school		4,000,000		Awaiting Funding from the NGCDF Board
Ilmotiok Secondary School			7,000,000	Project now complete and in use
Ronkena Secondary School			5,000,000	On-going
Nkorkorri Secondary School			3,500,000	On-going
Keroka Technical Training Institute			1,100,000	On-going
Sub-Total				
Amounts due to other grants and other transfers				
Bursary Secondary School		674,038.92	-	Awaiting Funding from the NGCDF Board
Bursary Tertiary Institutions		392,403	1,785,403	Awaiting Funding from the



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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Social Security(NHIF)		0	0	NGCDF Board
Constituency Sports Project		7,861	497,355	Project on-going
Constituency Environment Project		39,533	747,354	Project now complete and in use
Security Projects()		0	2,240,000	Project now complete and in use
Emergency		6,628,346	536,490	Project on-going
Sub-Total				
Acquisition of assets				
Purchase of furniture and equipment		265,600	666,600	Project on-going
Others (specify)				
Strategic Plan		25,000	25,000	Savings
Roads		51,000	51,000	Savings
Sub-Total				
Funds pending approval		5,562,000		
Grand Total		64,819,931	73,828,754	



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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	-	-	-	-
Transport equipment	4,117,536.00	-	-	4,117,536.00
Office equipment, furniture and fittings	1,503,088.00			1,503,088.00
ICT Equipment, Software and Other ICT Assets	573,300.00	401,000.00		974,300.00
Other Machinery and Equipment				-
Heritage and cultural assets				-
Intangible assets				-
Total	6,193,924.00	401,000.00	-	6,594,924.00



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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MARARIANDA PRIMARY SCHOOL	Equity		1,900	
OLKINYEI PRIMARY SCHOOL	Equity		1,500	
KUTETE PRIMARY SCHOOL	Equity		1,000	
ASIGA PRIMARY SCHOOL	Equity		1,000,000	
NKOSHUASH PRIMARY SCHOOL	Equity		1,200	
LEMEK BOARDING PRIMARY SCHOOL	Equity		680	
ENDOINYO ERINKA PRIMARY SCHOOL	Equity		19,000	
TALEK PRIMARY SCHOOL	Equity		10,000	
NASORETET PRIMARY SCHOOL	Equity		400	
OLDERKESI PRIMARY SCHOOL	Equity		1,000	
OLOMONIRA PRIMARY SCHOOL	Equity		250	
OLABURA PRIMARY SCHOOL	Equity		500	
IRETET PRIMARY SCHOOL	Equity		300	
NKINEJI PRIMARY SCHOOL	Equity		1,700	
TALEK PRIMARY SCHOOL	Equity		1,700	
OLKILORITI PRIMARY SCHOOL	Equity		500	
NTERERE PRIMARY SCHOOL	Equity		480	
OLMUSEREJI PRIMARY SCHOOL	Equity		1,200,000	
ILKERRA PRIMARY SCHOOL	Equity		300	
OLOLTUROTO PRIMARY SCHOOL	Equity		400	
ILMOTIOK PRIMARY SCHOOL	Equity		400,000	
MPIRO PRIMARY SCHOOL	Equity		00	
OLOLAIMUTIA PRIMARY SCHOOL	Equity		900	
OLOONKERIN PRIMARY SCHOOL	Equity		300,000	
OLOONCHURA PRIMARY SCHOOL	Equity		1,000	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
OLE NKUYA PRIMARY SCHOOL	Equity		00	
OLARE OWANG PRIMARY SCHOOL	Equity		400,000	
MARA KUPA PRIMARY SCHOOL	Equity		00	
ISINTIN PRIMARY SCHOOL	Equity		1,500	
OLOPI LUKUNYA PRIMARY SCHOOL	Equity		500,000	
KOITAMUGUL PRIMARY SCHOOL	Equity		700,000	
OLPALAGILAGI PRIMARY SCHOOL	Equity		600,000	
OLESERE PRIMARY SCHOOL	Equity		1,000,000	
LEPOLOS PRIMARY SCHOOL	Equity		620,000	
RONKENA SECONDARY SCHOOL	Equity		3,000	
MOGOIWET SECONDARY SCHOOL	Equity		1,900	
OLCHORO OIROWUA SECONDARY SCHOOL	Equity		2,500,000	
LALUK SECONDARY SCHOOL	Equity		2,000	
MARARIANDA SECONDARY SCHOOL	Equity		1,400,000	
SALABWEK SECONDARY SCHOOL	Equity		2,500	
MOI NAIKARRA SECONDARY SCHOOL	Equity		2,000,000	
NAROK WEST SECURITY PMC ACCOUNT	Equity		2,240,000	
LEMEK ADMINSTRATIVE POLICE POST	Equity		1,500,000	
Total			16,415,610	



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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>1.1 Irregularities in awarding of Bursaries</p>	<p>Criteria According to Section 68(1) of the public Finance Management Act, 2012, An accounting officer for a national government entity shall be accountable for ensuring that the resources of the respective entity for which he or she is the accounting officer are used in a way that is— (a) lawful and authorized; and (b) effective, efficient, economical and transparent. (2) In the performance of a function under subsection (1), an accounting officer shall— (a) ensure that all expenditure made by the entity complies with subsection (1); (e) ensure that all applicable accounting and financial controls, systems, standards, laws and procedures are followed when</p>	<p>1. The students awarded more bursary than the others are poorest of the poor or orphans without any means or had accumulated arrears and some of them had dropped out of school or were almost dropping from the college thus the intervention of the CDF committee. 2. The management has taken the advice on the issuance of bursaries to students in private institutions and has put in place controls to prevent it</p>	<p>Resolved</p>	<p>30.06.2020</p>



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>procuring or disposing of goods and services</p> <p>Observation Examination of bursary records for the year ended 30 June, 2020 revealed the following anomalies: -</p> <ul style="list-style-type: none"> i. Unexplained differences in bursary awarded to Students in the same school ii. Award of bursaries to students in Private Secondary Schools iii. Award of bursaries to students in private primary schools <p>With the above malpractices, audit could not establish whether Narok West NGCDF has achieved the main objective of bursaries as stipulated in the National Government Constituency Fund Regulations, 2015.</p> <p>Risk/Effect In equitable distribution of</p>	<p>from occurring in the future</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>bursaries</p> <p>Recommendation Please explain the above irregularities</p> <p>Management Response:</p>	<p>the above</p>			
<p>1.2 Failure to update Fixed Assets Register</p>	<p>Criteria According to section 139(1) of the public Finance (NG) Regulations, 2015, 139. (1) The Accounting Officer of a national government entity shall take full responsibility and ensure that proper control systems exist for assets and that; preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse and movement and conditions of assets can be tracked</p> <p>Observation A fixed Assets register has not been availed for audit review. In the absence of an Asset Register, audit could not establish the accuracy of the Summary of Fixed Asset</p>	<p>The management has noted and appreciates the audit observation and has taken measures to tag all the assets. Attached is the updated asset register.</p>	Resolved	30.06.2020



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Register as disclosed in Annex 4 of the financial Statement. Further, an asset verification exercise carried out at the Narok West NG-CDF offices revealed that the assets have not been tagged and therefore exposing them to possible theft.</p> <p>Risk/Effect</p> <ul style="list-style-type: none"> • Assets are prone to theft • Misstatement of the Summary of Fixed Asset Register <p>Recommendation</p> <ol style="list-style-type: none"> i. Please avail an up to date Fixed Asset Register for audit review ii. Please explain why the Fund assets have not been tagged iii. Please explain the measures that the fund shall institute to ensure the assets are tagged 			



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>1.3 Failure to Provide PMC Account Statements and Certificates</p>	<p>Criteria Section 100 of the Public finance act, 2012 states that the Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Vote for which he or she is responsible. Observation Narok West NGCDF implemented Thirty-Three (33) Project Management Committees (PMC). Each PMC operated a bank account to which the project funds were transferred to from the main NGCDF account. Certificate of bank balances of the thirty-three (33) bank accounts have not been availed for audit review. Further, PMC expenditure returns were not availed for audit review. In the circumstances, audit could not</p>	<p>The management has noted and appreciates the audit observation. attached are copies of pmc bank certificates.</p>		



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>establish the accuracy of the bank balances as indicated in Annex 5 to the financial statement.</p> <p>Risk/Effect Disclosure of in-accurate Balances</p> <p>Recommendation Please avail the bank balance certificates for the thirty-three (33) PMC accounts as disclosed in annexure 5 to the financial statement and expenditure returns for all PMCs.</p>			

