

REPUBLIC OF KENYA



Enhancing Accountability

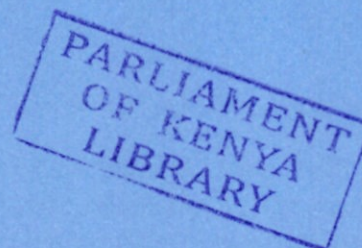
REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 07 AUG 2024 WED 7/8/2024

TABLED BY: Deputy Majority Whip OF

CLERK AT THE TABLE: Anastacia Thumbi



THE AUDITOR-GENERAL

ON

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

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



KAPENGURIA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT
FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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

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1. Acronyms and Glossary of terms

Provide a list of all applicable acronyms and abbreviation e.g.

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards

PMC- Project Management Committee

FY-Financial Year

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;

- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- 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 Kapenguria Constituency NGCDF day-to-day management is under the following key organs:

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

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Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Stephen Alukureng Mwang'At
2.	Sub-County Accountant	Stephen Marigi
3.	Chairman NGCDFC	Andrew Kodokwang
4.	Member NGCDFC	Joseph Pkukat Lopetangole

(c) Fiduciary Oversight Arrangements

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

(d) Kapenguria Constituency NG-CDF Headquarters

P.O. BOX 526-30600
CDFC BUILDING, KAPENGURIA
COUNTY COMMISSIONER HQTRS
KAPENGURIA, KENYA

(e) Kapenguria Constituency NGCDF Contacts

Telephone: (254) 725132194
E-mail: cdkapenguria@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) Kapenguria Constituency NGCDF Bankers

Equity Bank
A/C 1070297599233
Kapenguria Branch
P.O. Box 526-30600
Kapenguria, Kenya

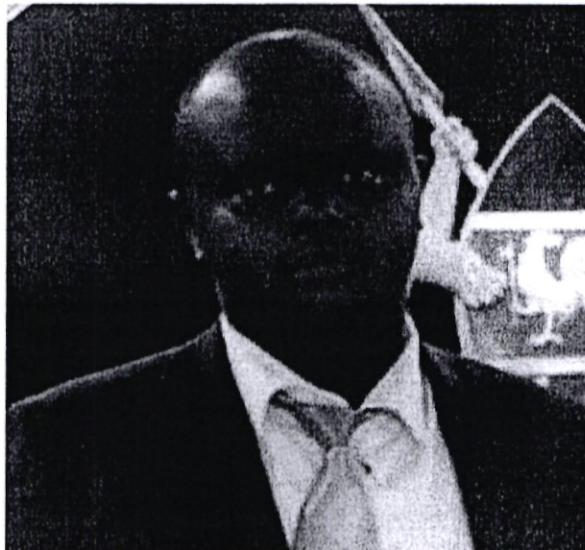
(g) Independent Auditors

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

(h) Principal Legal Adviser

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

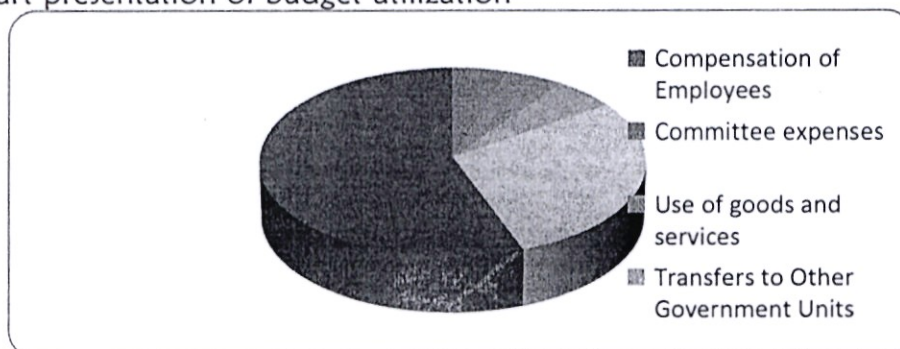
3. NG-CDFC Chairman's Report



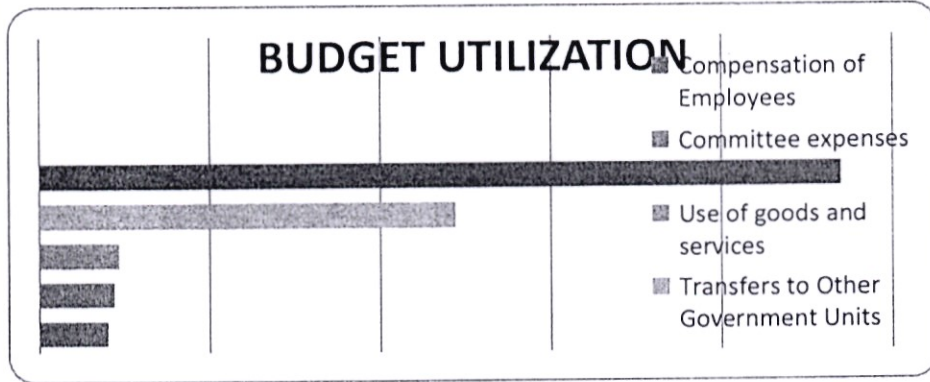
**Mr. ANDREW KODOKWANG
CHAIRMAN
KAPENGURIA CONSTITUENCY NG-CDF**

The final budget for NG-CDF Kapenguria for FY 2022/2023 was Ksh 178,401,411, while the actual utilization was Kshs 84,511,346 resulting to a variance of Kshs 93,890,064 as unutilized part of the budget. This explains why there is less than 100% funds utilization under transfers to other government units and other grants and transfers. Overall, the budget performance was at 47%.

1. Pie chart presentation of budget utilization



2. Bar graph presentation of budget utilization



1. TOMENA PRIMARY SCHOOL , RENOVATION OF 13 CLASSES



2 AP LINE HOUSES RENOVATION KAPENGURIA ,



EMERGING ISSUES

a) Economic Issues

Kapenguria Constituency is directly affected by expanding infrastructure, devolved budgeting at County level, procurement requirements supporting youth and women, the expanding economy of West Pokot and its strategic location hosting the headquarters of West Pokot County.

The majority of its urban population comprises of people aged between 15 to 64 years who are economically active. The main economic activities in the Constituency urban areas include retail and wholesale, trading fresh produce and cereal, entertainment and hospitality business.

Social Issues

The Constituency is growing amidst challenges brought about by social dynamics both at the local level and nationally. Some of the issues at hand include high dependency ratio, unemployment, effects of HIV/Aids, high infant mortality rate, female genital mutilation, insecurity, inadequate primary health care programmes, drugs and alcohol abuse, effects of social media, gender mainstreaming, environmental sustainability, enactment of laws that protect rights of individuals, children and the vulnerable groups, unpredictable weather patterns, food security, water and sanitation, youth empowerment, increased pressure on land, access to quality education and urbanization. In formulating the objectives and strategies of this planning period, the above issues have been considered.

b) Technological Issues

Notable, progress has been witnessed in Information and Communication Technology (ICT), green energy and agri-business among others. While these advancements are fast being

entrenched as key drivers of every industry and are already offering opportunities for sustained growth and innovation in all sectors, their uptake require heavy investment in terms of acquisition, training, maintenance and replacements. The Constituency has to formulate that take these developments on board.

Environmental Issues

Environmental and ecological aspects are important factors which affect all other sectors. Changing weather patterns can bring about implications in environment cascading into affecting all spheres of life. Population distribution in West Pokot County is influenced by climatic conditions and therefore Kapenguria Constituency has the second highest population density since it has a major urban centre and high agricultural potential due to its favourable climatic condition.

c) Challenges

- High expectations from community members – The community needs far outstrips the available funds;
- Slow implementation of the development projects for Financial Year 2020-2021;
- Difficulty in balancing between politicians, officials and community interests;
- Lack of resources to support community representative's sessions where the budgets are tabled and discussed to ensure that they are not altered;
- High illiteracy levels and community capacity gaps on participatory budgeting and planning and functions of each level of government;
- Women and youth participation in the public participation process is still low;
- Public anticipation to be paid sitting/participation allowances;
- Political interference and competition during resource allocation; and
- Inadequate supervision, monitoring and evaluation of projects

To overcome the above mentioned challenges the constituency employs several measures which are not limited to the following;

- Establish model schools;
- Improve infrastructure in schools;
- Lobby for the recruitment of more teachers in schools;
- Lobby for the establishment of more tertiary institutions;
- Increase the provision of scholarships for university and tertiary education;
- Construction of new schools and renovation of existing ones;
- Coordination and provision of bursaries to students;
- Facilitate sensitization of the general public about the importance of education;
- Encourage the youths to enrol for studies in the youth polytechnics
- Support the identification and elimination blind spots and gap spaces;
- Encourage and train on community policing;
- Sensitization of the community on security issues;
- Construction of offices for chiefs (1 per ward);
- Lobby for piped water supply;

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- Provide water storage tanks in all schools;
- Lobby for the drilling boreholes and shallow wells in public institutions for community access;
- Protection and conservation of water catchment areas for clean water supply;
- Protection of springs; and
- Encourage rain water harvesting
- Encourage on increasing forestry coverage at household level (tree planting in the public institutions);
- Support and facilitate public sensitization on key environmental issues; and
- Lobby for funding for disaster preparedness and mitigation.
- Capacity building on entrepreneurial skills;
- Campaign against drug abuse and indulgence in illegal activities;
- Encourage creativity and innovation for self-employment;
- Encourage formation and registration of economic empowerment groups;
- Establish empowerment centres (management social halls);
- Encourage and sponsor youths to join institutions of higher learning and polytechnics;
- Collaboration with elected leaders and National government to harness talents through Sports and tournaments;
- Encourage application for Uwezo fund and Youth enterprise fund; and
- Launch and roll out registration for NSSF and NHIF
- Gender equality in governance and participation at all levels;
- Ensure equitable distribution of resources and developments;
- Adherences laws that govern the use of CDF and other government funds;
- Feedback mechanisms by providing complaints forms at the CDF headquarters;
- Frequent sensitization on ethics and integrity;
- Tackling illicit financial flows and money laundering; and
- Support government efforts to improve the performance of EACC in preventing, investigating and sanctioning corrupt practices

Signed:

Andrew Kodokwang

CHAIRMAN NGCDF COMMITTEE

4. Statement of Performance Against Predetermined Objectives for FY 2022/2023

Introduction

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

The key development objectives of *Kapenguria Constituency 2017-2022* plan are to:

Strategic Issue 1: Education, Literacy and Human Resource Development

Objective 1: To improve the academic performance, basic infrastructure, enrolment rate and transition rate in all learning institutions;

Strategies and Actions for the Planning Period

- Establish model schools;
- Improve infrastructure in schools;
- Lobby for the recruitment of more teachers in schools;
- Lobby for the establishment of more tertiary institutions;
- Increase the provision of scholarships for university and tertiary education;
- Construction of new schools and renovation of existing ones;
- Coordination and provision of bursaries to students;
- Facilitate sensitization of the general public about the importance of education;
- Encourage the youths to enrol for studies in the youth polytechnics
- Establish, equip and operationalize a Teachers Training College;
- Construction of laboratories and libraries in all secondary schools
- Encourage students to pursue different courses (diversify professionals);
- Lobby for scholarships for continued education even in the foreign countries;
- Motivation of students and teachers;
- Create awareness on the importance of education (school drop outs, early pregnancies, cultural believes);
- Encourage benchmarking in best performing schools and institutions of higher learning; and
- Create a network of role models of the constituency and organize motivational talks.

Strategic issue 2: Safety and Security

Objective 1: To improve the overall security of all residents and reduce crimes

Strategies and Actions for the Planning Period

- Support the identification and elimination blind spots and gap spaces;
- Encourage and train on community policing;
- Sensitization of the community on security issues;
- Construction of offices for chiefs (1 per ward);

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- ◆ Construction of Divisional Headquarters for police;
- ◆ Establish an Administration Police camp;
- ◆ Strengthen cross-border relations and trade;
- ◆ Sponsor a bill for regional security and partnership;
- ◆ Lobby for strategic security issues as member of the Regional Integration Committee;
- ◆ Installation of street/floodlights;
- ◆ Construct police posts;
- ◆ Strengthen the NyumbaKumi Initiative;
- ◆ Increase residents natural surveillance by increasing visibility of risky areas; and
- ◆ Construct and rehabilitate housing units for police officers.

Strategic issue 3: Water, Sanitation and Environment

Objective 1: To increase access to clean and safe water, improved sanitation, environmental conservation and sustainable use of natural resources

Strategies and Actions for the Planning Period: Water

- ◆ Lobby for piped water supply;
- ◆ Provide water storage tanks in all schools;
- ◆ Lobby for the drilling boreholes and shallow wells in public institutions for community access;
- ◆ Protection and conservation of water catchment areas for clean water supply;
- ◆ Protection of springs; and
- ◆ Encourage rain water harvesting.

Strategies and Actions for the Planning Period: Sanitation

- ◆ Encourage boiling and chlorination of water before consumption;
- ◆ Ensure community and public health education and sanitation issues; and
- ◆ Construct toilets in the schools where they lack/are inadequate.

Strategies and Actions for the Planning Period: Environment

- ◆ Encourage on increasing forestry coverage at household level (tree planting in the public institutions);
- ◆ Support and facilitate public sensitization on key environmental issues; and
- ◆ Lobby for funding for disaster preparedness and mitigation.

Strategic issue 4: Women, PWDs, Youth and Empowerment

Objective 1: To promote economic empowerment of Women, PWDs, and youths through participation, wealth creation, increased access to credit and a self-reliant economic growth

Strategies and Actions for the Planning Period

- ◆ Capacity building on entrepreneurial skills;
- ◆ Campaign against drug abuse and indulgence in illegal activities;
- ◆ Encourage creativity and innovation for self-employment;
- ◆ Encourage formation and registration of economic empowerment groups;
- ◆ Establish empowerment centers (management social halls);
- ◆ Encourage and sponsor youths to join institutions of higher learning and polytechnics;
- ◆ Collaboration with elected leaders and National government to harness talents through Sports and tournaments;

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- Encourage application for Uwezo fund and Youth enterprise fund; and
- Launch and roll out registration for NSSF and NHIF.

Strategic issue 5 : Governance

Objective 1: To enhance good governance and active citizen participation in constituency programmes and ensures sustainable use of public resources

Strategies and Actions for the Planning Period

- Gender equality in governance and participation at all levels;
- Ensure equitable distribution of resources and developments;
- Adherences laws that govern the use of CDF and other government funds;
- Feedback mechanisms by providing complaints forms at the CDF headquarters;
- Frequent sensitization on ethics and integrity;
- Tackling illicit financial flows and money laundering; and
- Support government efforts to improve the performance of EACC in preventing, investigating and sanctioning corrupt practices

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms increased from 427 to 504 Number of laboratories increased from 10 to 17 Number of dormitories increased from 8 to 18 Number of administration blocks increased from 13 to 22

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Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation Initiatives	Drill boreholes to promote access to clean and safe water Equip schools and public facilities with sanitation	Number of boreholes drilled Number of sanitation facilities built in primary and secondary Number of trees	Number of boreholes increased from 13 to 24 Number of sanitation facilities increased from 40 to 52
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Constituency Program	Objective	Outcome	Indicator	Performance
		facilities Provide tree seedlings to schools to improve the forest cover	Planted	Number of trees planted increased from 0 to 10
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance delivery	Number of usable physical infrastructure built in locations, sub-locations and police stations	Number of renovated chiefs' offices increased from 9 to 12 Number of assistant chiefs' offices increased from 1 to 8 Number of police lines increased from 2 to 5
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports Programme	Number of youth groups benefitting from the sports programme increased from 10 to 30

5. Governance Statement

NG-CDFC is the organ established, as follows and the process of exiting is as outlined by the following excerpt;

The office of a member of the Board for a member appointed under paragraphs (e) and (f) of section 15(1) shall become vacant if the member— (a) resigns by giving written notice to the Cabinet Secretary; or (b) is removed from office on any one or more of the following grounds - (i) serious violation of the Constitution or any other law; (ii) gross misconduct, whether in performance of the member's or office holder's functions or otherwise; (iii) physical or mental incapacity to perform the functions of office; 12 [Rev. 2022] National Government Constituencies Development Fund No. 30 of 2015 (iv) incompetence; (v) bankruptcy; (vi) engaging in active politics; or (vii) absence from three consecutive meetings of the Board without the permission of the Chairperson. (2) A person desiring the removal of a member of the Board under subsect

ROLES of NG-CDFC

- Build capacity of PMCs and sensitize community on the operations of the Fund
- Consider projects from all wards and any other projects that the committee considers beneficial
- Ensure that projects proposals submitted to the Board include detailed budget proposals, procurement plans and work plans
- Consult relevant Government department to ensure that projects cost estimates are realistic
- Rank projects proposals in order of priority while ensuring that ongoing projects take precedence
- Ensure that projects receive adequate funding and are completed within three years
- Monitor the implementation of projects
- Ensure that projects report are prepared and submitted to the Board
- Ensure formation of PMCs, opening of projects accounts, project implementation and closure of projects
- Submit financial statements to the Board within sixty days of end of financial year
- Recommend to the Board removal of a committee member
- Enter into performance contract with the Board on annual basis
- Receive returns from PMCs
- Receive and address all complaints concerning implementation of projects
- Ensure that the Committee does not enter into commitments for which funds have not been allocated

The committee gets remunerated out of the administration and recurrent vote of the committee ,During the year the Kapenguria committee held 15 CDFC meetings ,and had two CDFC training ,

6. Environmental and Sustainability Reporting

Kapenguria 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 Kapenguria NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Kapenguria NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.

- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.

- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

2. Environmental performance

Ng cdfc for kapenguria. Incorporate, landscaping, water harvesting structures and other environmental friendly initiatives on the school refurbishment programmes and , Sensitize the project implementer to protect and conserve the environment when undertaking all NG- CDF projects.

Fund training on dangers of drug abuse for the youth

It also Organized Constituency sports tournament and awards the winning teams with trophies and uniforms. Lobby for use of school sports fields for the out of school use as a shared resource

Fund training in hand skills for the youth in the available colleges in Kapenguria Sub County

Lobby the Kenya Youth Employment & Opportunity Project to offer more slots to Kapenguria Youth

Continue to involve youth in Constituency projects and lobby for labour based contracting for National Government projects

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and

supported to continually build on their skills and knowledge. Kapenguria constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Kapenguria 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 interest

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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

**KAPENGURIA CONSTITUENCY
DEVELOPMENT FUND**
25 MAR 2024
FUND ACCOUNT MANAGER
P. O. Box 1/30000
Stephen Alukureng Mwang'at

Fund Account Manager

7. Statement of Management Responsibilities

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

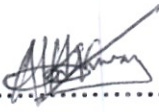
The Accounting Officer in charge of the NGCDF-Kapenguria Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30,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

The Accounting Officer in charge of the NGCDF-Kapenguria Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kapenguria Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

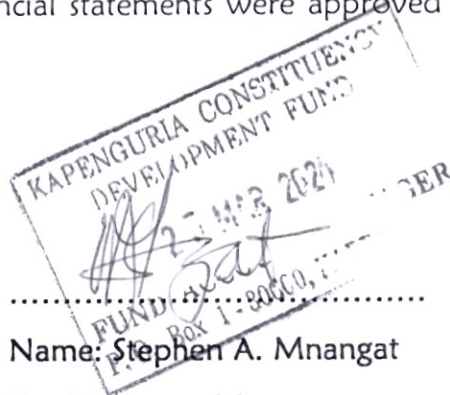
The Accounting Officer in charge of the NGCDF Kapenguria Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used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

Approval of the financial statements

The NGCDF- Kapenguria Constituency financial statements were approved and signed by the Accounting Officer on 25th March, 2024.



.....
Name: Andrew Kodokwang
Chairman – NGCDF Committee



KAPENGURIA CONSTITUENCY
DEVELOPMENT FUND
25 - MAR 2024
FUND Box 1-80800, ... GER

.....
Name: Stephen A. Mnangat
Fund Account Manager

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KAPENGURIA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such Funds are applied for the intended purpose.
- C. Report on the 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, risk management environment and 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 - Kapenguria Constituency set out on pages 1 to 43, which comprise of the statement of assets and liabilities as at 30 June, 2023 and the

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

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

Basis for Qualified Opinion

1. Inaccuracies in Fixed Assets Balance

Annex 4 to the financial statements on Summary of fixed asset register reflects assets amount of Kshs.42,035,446 which includes land valued at Kshs.5,762,239, building and structures Kshs.20,880,000, transport equipment Kshs.13,057,402, office equipment, furniture and fitting Kshs.1,209,171 and ICT equipment, software and other ICT assets Kshs.1,126,634. However, the Fund did not provide valuation report and the land title deed for its land valued at Kshs.5,762,239.

Further, comparison of comparative financial statements balances and audited financial statements for year ended 30 June, 2022 revealed variances as summarized below:

Item	Comparative Amount per Financial Statements for 2022-2023 (Kshs.)	Amount Per Certified Financial Statements for 2021-2022 (Kshs.)	Variance (Kshs.)
Land	5,762,239	0	5,762,239
Building	20,880,000	5,762,239	15,117,761
Other Machinery and Equipment	0	20,880,000	(20,880,000)

In the circumstances, the accuracy, ownership and completeness of fixed assets amount of Kshs.42,035,446 could not be confirmed.

2. Unsupported Bursaries Expenditure

The statement of receipts and payments reflects other grants and other transfers amount of Kshs.47,022,971 which includes bursary disbursement of Kshs.45,232,971 comprising of Kshs.35,474,471 to secondary schools and Kshs.9,758,500 to tertiary institutions as disclosed in Note 8 to the financial statements. However, bursary disbursement amounting to Kshs.19,179,000 were not supported by acknowledgement official receipts from the various learning institutions.

In the circumstances, the accuracy and completeness of the bursary amount of Kshs.19,179,000 could not be confirmed.

3. Unsupported Project Management Committee Balances

Note 19.4 and Annex 5 to the financial statements reflects Project Management Committee (PMC) bank balances totalling Kshs.531,481. However, the cash books, bank reconciliation statements and certificates of bank balances for the individual PMC accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.531,481 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis of Kshs.178,401,411 and Kshs.102,352,357 respectively and resulting in underfunding of Kshs.76,049,053 or 45% of the final budget amount. However,, the Fund spent Kshs.84,511,346 against actual receipts of Kshs.102,352,357 resulting to under-utilization of Kshs.17,841,011 or 17% of actual receipt.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report for the previous year, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and

Governance. However, Management has not resolved all the matters or provided any explanation on the failure to adhere to the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matters described in the Basis for Conclusion, 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. Unreported Emergency Projects

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects other grants and transfers amount of Kshs.47,022,971 which includes emergency expenditure of Kshs.1,790,000 incurred on roofing of classrooms in respect of two (2) projects. However, there was no evidence to show that Management notified the Board after payments were made contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that utilization of emergency reserve shall be reported to the board within thirty days of occurrence of the emergency.

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

2. Delayed Remittance of National Social Security Fund Contributions

The statement of receipts and payments under Note 4 reflects compensation of employees amount of Kshs.3,999,688 which includes Kshs.228,793 incurred as National Social Security Fund (NSSF) contributions for the employees of the Fund. However, the Management delayed to remit the statutory dues to National Social Security Fund within the timeline specified thereby attracting penalties and fine of Kshs.20,948. The Fund Management contravened Section 27(1) of the National Social Security Fund Act, 2013 leading to a penalty of five (5)% for failure to remit the contributions on time.

In the circumstances, Management was in breach of law.

3. Non-Implementation of Approved Projects

Review of the project implementation status revealed that fifty-four (54) projects worth Kshs.91,186,422 were not implemented in the year under review.

In the circumstances, the public was denied benefits that could have accrued from the approved projects.

4. Projects not Handed-Over

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.24,420,000 which includes transfers to primary schools' amount of Kshs.6,620,000, transfers to secondary schools' amount of Kshs.7,800,000 and transfers to tertiary institutions amount of Kshs.10,000,000 as disclosed in Note 7 to the financial statements. However, five (5) projects with disbursements totalling Kshs.20,420,000 were not supported by certificates of completion, handover reports and work plans contrary to Regulation 15(1)(b) of the National Government Constituencies Development Fund Regulations, 2016.

Further, field inspection of the five (5) projects during the month of March, 2024 revealed implementation concerns including delays and non-labelling of the projects.

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

The audit was conducted in accordance with the 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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless 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 comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness

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

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 June, 2024

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

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

	Note	2022-2023	2021-2022
		Kshs	
RECEIPTS			
Transfers from NGCDF Board	1	89,370,000	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		89,370,000	170,088,879
PAYMENTS			
Compensation of employees	4	3,999,688	3,955,542
Committee expenses	5	4,403,037	-
Use of goods and services	6	4,665,651	8,962,634
Transfers to Other Government Units	7	24,420,000	85,730,227
Other grants and transfers	8	47,022,971	62,951,437
Acquisition of Assets	9	-	-
Other Payments	10	-	-
TOTAL PAYMENTS		84,511,346	161,599,840
SURPLUS/DEFICIT		4,858,654	8,489,039

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by the Kapenguria NGCDFC on 25th March, 2024 and signed by:

KAPENGURIA CONSTITUENCY
DEVELOPMENT FUND
25 MAR 2024
FUND ACCOUNTANT
Fund Accountant/Manager

SUB-COUNTY ACCOUNTANT
25 MAR 2024
P.O. BOX 70 KAPENGURIA

National Sub-County
Accountant

Chairman NG-CDF
Committee

Name: Stephen A. Mnangat

Name: STEPHEN MARIGI
ICPAK M/No: 17206

Name: Andrew Kodokwang

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

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

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

	Note	2022-2023 Kshs	2021-2022 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	17,841,011	12,982,357
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		17,841,011	12,982,357
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		17,841,011	12,982,357
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	-	-
NET FINANCIAL SSETS		17,841,011	12,982,357
REPRESENTED BY			
Fund balance B/Fwd	15	12,982,357	4,493,319
Prior year adjustments	16	-	-
Surplus/Deficit for the year		4,858,654	8,489,039
NET FINANCIAL POSITION		17,841,011	12,982,358

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

The Constituency financial statements were approved by NG CDFC on 25th March, 2024 and signed by:

**KAPENGURIA CONSTITUENCY
DEVELOPMENT FUND**
25 MAR 2024
Fund Account Manager
P. O. Box 1 - 20000, ...

SUB-COUNTY ACCOUNTANT
25 MAR 2024
National Sub-County
Accountant

[Signature]
Chairman NG-CDF
Committee

Name: Stephen A. Mngat

Name: STEPHEN MARIGI
ICPAK M/No: 17206

Name: Andrew Kodokwang

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

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

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	89,370,000	170,088,879
Other Receipts	3	-	-
Total Receipts		89,370,000	170,088,879
Payments for operating activities			
Compensation of Employees	4	3,999,688	3,955,542
Committee expenses	5	4,403,037	-
Use of goods and services	6	4,665,651	8,962,634
Transfers to Other Government Units	7	24,420,000	85,730,227
Other grants and transfers	8	47,022,971	62,951,437
Other Payments	10	-	-
Total Payments		84,511,346	161,599,840
Adjusted for:			
Prior year Adjustments	16	-	-
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net cash flow from operating activities		4,858,654	8,489,039
Cashflow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
Net Increase In Cash And Cash Equivalent		4,858,654	8,489,039
Cash and cash equivalent at Start of the year	11	12,982,357	4,493,319
Cash and cash equivalent at End of the year		17,841,011	12,982,357

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

The Constituency financial statements were approved by NG CDFC on **25th March, 2024** and signed by:

**KAPENGURIA CONSTITUENCY
DEVELOPMENT FUND**
25 MAR 2024
Fund Account Manager

SUB-COUNTY ACCOUNTANT WEST POKOT
25 MAR 2024
National Sub-County Accountant

Chairman NG-CDF Committee

Name: Stephen A. Mnangat

Name: STEPHEN MARIGI
ICPAK M/No: 17206

Name: Andrew Kodokwang

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

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

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	151,960,174	12,982,357	13,458,879	178,401,411	102,352,357	76,049,053	57%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	0.0%
TOTAL RECEIPTS	151,960,174	12,982,357	13,458,879	178,401,411	102,352,357	76,049,053	57%
PAYMENTS							
Compensation of Employees	3,999,688			3,999,688.00	3,999,688	0	100.0%
Committee expenses	4,800,000			4,800,000.00	4,403,037	396,963	91.7%
Use of goods and services	4,856,727			4,856,727.00	4,665,651	191,076	96.1%
Transfers to Other Government Units	69,484,000	3,800,000		73,284,000.00	24,420,000	48,864,000	33.3%
Other grants and transfers	64,504,157	9,182,357	13,458,879	87,145,393.00	47,022,971	40,122,422	54.0%
Acquisition of Assets	596,000			596,000.00	-	596,000	0.0%
Oversight Committee Expenses	1,519,602			1,519,602.00	-	1,519,602	0.0%
Other Payments	2,200,000.00			2,200,000.00	-	2,200,000	0.0%
TOTAL	151,960,174	12,982,357	13,458,879	178,401,410	84,511,346	93,890,064	47.4%

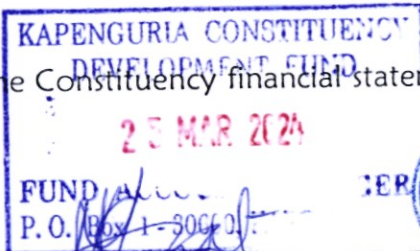
Explanatory Notes.

(a) The utilisation difference on other grants and transfers is as a result of the delay in disbursements from the NGCF-Board

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

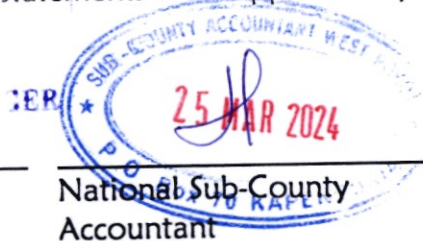
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	93,890,064
Less undisbursed funds receivable from the Board as at 30th June 2023	76,049,053
	17,841,011
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30th June 2023	17,841,011

The Constituency financial statements were approved by NG CDFC on 25th March, 2024 and signed by:



Fund Account Manager

Name: Stephen A. Mngat



National Sub-County Accountant

Name: STEPHEN MARIGI
ICPAK M/No: 17206

Chairman NG-CDF Committee

Name: Andrew Kodokwang

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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)		Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f= d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023	30/06/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,999,720			3,999,720	3,999,688	32	100%
1.2 Committee allowances	3,117,890	0	-	3,117,890	3,069,000	48,890	98%
1.3 Use of goods and services	2,000,000	0		2,000,000	2,000,000	-	100%
Total	9,117,610		-	9,117,610	9,068,688	48,923	99%
2.0 Monitoring and evaluation							0%
2.1 Capacity building	1,200,000			1,200,000	497,922	702,078	41%
committee expenses	1,000,000	240,579.00		1,240,579	1,142,960	97,619	92%
2.3 Use of goods and services	2,358,805			2,358,805	2,358,805	0	100%
Total	4,558,805		-	4,558,805	3,999,687	559,118	88%
3.0 Emergency							
3.1 Primary Schools	7,636,190			7,636,190	1,790,000	5,846,190	23%
Total			-	7,636,190			23%

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	7,636,190				1,790,000	5,846,190	
4.0 Bursary and Social Security				-		-	
4.1 Secondary Schools	20,609,561	9,182,357.00	9,004,944	38,796,862	35,474,471	3,322,391	91%
4.2 Tertiary Institutions	20,000,000	-	3,083,935	23,083,935	9,758,500	13,325,435	42%
4.3 Social Security	-		-	-		-	0%
4.4 Special Needs	1,180,000		-	1,180,000	-	1,180,000	0%
Total	41,789,561	9,182,357	12,088,879	63,060,797	45,232,971	17,827,826	72%
5.0 Sports				-		-	
Bendera Foot Ball Club	265,000			265,000	-	265,000	0%
Chepkoti Foot Ball Club	165,000			165,000	-	165,000	0%
Chewoyet Foot Ball Club	265,000			265,000	-	265,000	0%
Constituency Sports Tournament	73,000			73,000	-	73,000	0%
Kamito Boys Secondary School	204,203			204,203	-	204,203	0%
Kamorow Foot Ball Club	265,000			265,000	-	265,000	0%
Kapenguria Citizen	265,000			265,000	-	265,000	0%
Kapenguria Youth Foot Ball Team	265,000			265,000	-	265,000	0%
Kaprech FootBall Club	165,000			165,000	-	165,000	0%
Kongelai Youngsters Football Club	227,000			227,000	-	227,000	0%

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Murkwijit Foot Ball Club	265,000			265,000	-	265,000	0%
Regional Sports Tournament	350,000			350,000	-	350,000	0%
Turkwel foot Ball Team	265,000			265,000	-	265,000	0%
Total	3,039,203			3,039,203	-	3,039,203	0%
6.0 Environment							
Kanyarkwat Mixed Day Secondary School	500,000			500,000	-	500,000	0%
Ketiam Primary School	400,000			400,000	-	400,000	0%
Lokitedel Primary School	400,000			400,000	-	400,000	0%
Ptoo Primary School	400,000			400,000	-	400,000	0%
Siyoi Secondary School	500,000			500,000	-	500,000	0%
Tomena Primary School	400,000			400,000	-	400,000	0%
Totum Secondary School	439,203			439,203	-	439,203	0%
Total	3,039,203			3,039,203	-	3,039,203	0%
7.0 Primary Schools Projects							
Almaris primary school	1,125,000.00			1,125,000	-	1,125,000	0%
Chepokachim Primary school	1,125,000.00			1,125,000	-	1,125,000	0%
Cheptoch Primary School	1,125,000			1,125,000	-	1,125,000	0%
Chewoyet Primary School	500,000			500,000	-	500,000	0%

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Kapsurum Primary School	500,000		-	500,000		500,000	0%
kitelakapel primary School	1,250,000		-	1,250,000	1,250,000	-	100%
keringet Primary School of deaf	1,250,000		-	1,250,000		1,250,000	0%
Kitaleposho Primary School	500,000		-	500,000		500,000	0%
Lokna Primary School	1,000,000		-	1,000,000		1,000,000	0%
Mokongwo Primary School	500,000		-	500,000		500,000	0%
Mortome Primary School	500,000		-	500,000		500,000	0%
Putor Primary School	500,000		-	500,000		500,000	0%
Simitei Primary School	500,000		-	500,000		500,000	0%
Siyoi Primary School	4,000,000		-	4,000,000		4,000,000	0%
Tamugh Primary School	1,125,000		-	1,125,000		1,125,000	0%
Tomena Primary School	9,000,000		1,370,000	10,370,000	5,370,000	5,000,000	52%
Total	24,500,000	-	1,370,000	25,870,000	6,620,000	19,250,000	26%
8.0 Secondary Schools Projects				-		-	
St. Michael Ptoyo Secondary School	-	3,800,000.00	-	3,800,000	3,800,000	-	100%
AGC Ketiam Boys Secondary School	1,000,000.00			1,000,000		1,000,000	0%
ELCK Galiblityei Mixed Secondary School	2,000,000.00			2,000,000		2,000,000	0%

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Kamito Girls Secondary School	3,000,000.00			3,000,000	-	3,000,000	0%
Kanyarkwat Mixed Day Secondary School	5,000,000			5,000,000	-	5,000,000	0%
Kapchila Secondary School	500,000			500,000	-	500,000	0%
Kaprech Secondary School	1,000,000			1,000,000	-	1,000,000	0%
Kaprom Secondary School	1,000,000			1,000,000	-	1,000,000	0%
St.CatherineGirls Secondary School-Chepnyal	8,732,000			8,732,000	-	8,732,000	0%
St.Paul Boys SecondarySchool-Kitelakapel	8,732,000			8,732,000	-	8,732,000	0%
Turkwel Gorge SecondarySchool	4,000,000			4,000,000	4,000,000	-	100%
Total	34,964,000	3,800,000	-	38,764,000	7,800,000	30,964,000	20%
9.0 Tertiary institutions Projects							
Kitelakapel Technical Training Institute	10,000,000			10,000,000	10,000,000	-	100%
Total	10,000,000			10,000,000	10,000,000	-	100%
10.0 Security Projects							0%
Mwotot Assistant Chiefs Office	2,500,000.00			2,500,000		9,000,000	0%
Kapchila Assistant Chiefs Office	2,500,000			2,500,000		2,500,000	0%
Kapenguria							0%

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Administration Police Line Camp	3,000,000			3,000,000		3,000,000	
Mtembur Chiefs Office	1,000,000			1,000,000		1,000,000	0%
Total	9,000,000	-	-	9,000,000	-	9,000,000	0%
12.0 Other payments				-		-	
strategic plan	2,200,000			2,200,000.00		2,200,000	0%
constituency oversight committee Tournament	1,519,602			1,519,602		1,519,602	0%
Acquisition of Assets(ng-cdfc office chairs and printer)	596,000			596,000		596,000	0%
Total	4,315,602	-	-	4,315,602	-	4,315,602	0%
Total	151,960,175	12,982,357	13,458,879	178,401,411	84,511,346	93,890,065	47%

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

Transfers from the National Government Constituency Development Fund (NG-CDF)
Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

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 Equivalent.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx for the period 1st July 202x to 30th June 202x 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 202x.

14. Prior Period Errors

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

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

15. Related Party Transactions

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

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
	Kshs	Kshs
B185088	7,000,000	0
B185507	6,000,000	0
B185829	15,000,000	0
B 206122	5,000,000	0
B206376	12,000,000	0
B205760	12,000,000	0
B205644	1,370,000	0
B207522	16,000,000	0
B207884	15,000,000	0
AIE NO. B 140918		33,000,000
AIE NO. B 105454		44,000,000
AIE NO. B 105793		22,000,000
AIE NO. B 128530		5,000,000
AIE NO. B 128842		12,000,000
AIE NO. B 154039		12,000,000
AIE NO. B 164481		19,000,000
AIE NO. B155838		10,347,101
AIE NO. B888527		12,741,778
TOTAL	89,370,000	170,088,879

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Others (specify)	0	0
Total	0	0

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3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	0	0

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,999,688	3,955,542
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	-	-
Total	3,999,688	3,955,542

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,112,519	0
Other committee expenses	2,290,518	0
Total	4,403,037	0

6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	130,981	645,000
Water & Sewerage Charges	-	80,000
Communication, supplies and services	1,481,267	170,000
Domestic travel and subsistence	1,207,200	1,480,000
Printing, advertising and information supplies & services	-	504,178
Rentals of produced assets	-	-
Training expenses	550,000	1,977,040
Other Committee Expenses	-	460,000
Committee Allowance	-	1,604,476
Insurance costs	-	-
Specialised materials and services	-	-

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Office and general supplies and services	-	-
Fuel , oil & lubricants	1,070,303	601,760
Other operating expenses	-	0
Bank Charges	-	140,180
Security operations	225,900	0
Routine maintenance - vehicles and other transport equipment	-	1,300,000
Routine maintenance- other assets	-	-
	-	-
Total	4,665,651	8,962,634

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	6,620,000	57,444,010
Transfers To Secondary Schools (See Attached List)	7,800,000	28,286,217
Transfers To Tertiary Institutions (See Attached List)	10,000,000	-
Total	24,420,000	85,730,227

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	35,474,471	20,000,000
Bursary – tertiary institutions (see attached list)	9,758,500	18,513,368
Bursary – special schools (see attached list)		-
Mock & CAT (see attached list)		-
Social Security programmes (NHIF)		-
Security projects (see attached list)	-	12,150,000
Sports projects (see attached list)	-	2,668,000
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	1,790,000	9,620,069
Roads projects (see attached list)	-	-
Total	47,022,971	62,951,437

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

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

10. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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11. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
11A: Bank Accounts (Cash Book Bank Balance)	17,841,011	12,982,357
<i>Name Of Bank, Account No. (Main account)</i>	-	-
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	17,841,011	12,982,357
	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
11 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

12. 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
Total		-	-	-

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Notes to the Financial Statement Continued

13. Deposit and Retention

	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

Deposits and Retentions aging analysis.

	2022-2023	% of the total	2021-2022	% of the total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

14. Gratuity

	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	Kshs 1 st July 2022	Kshs 1 st July 2021
	Kshs	Kshs
Bank accounts	12,982,357	4,493,319
Cash in hand	-	-
Imprest	-	-
Total	12,982,357	4,493,319
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	12,982,357	4,493,319

16. Prior Year Adjustments

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	Kshs	Kshs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	Kshs	Kshs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	-	-
Committee expense	588,040	-
Use of goods and services	-	236,939
Amounts due to other Government entities (see attached list)	50,214,000	8,093,783
Amounts due to other grants and other transfers (see attached list)	38,772,422	18,110,515
Acquisition of assets	596,000	-
Oversight Committee Expenses	1,519,602	-
Other Payments (Strategic Plan)	2,200,000	-
Funds pending approval	-	-
Total	93,890,064	26,441,237

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19.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	531,481	3,401,994
Total	531,481	3,401,994

19.5 Related Party Transactions

	2022-2023	2021-2023
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,112,519	-
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	89,370,000	170,088,879
Total	91,482,519	170,088,879

16. Annexes

Annexes 1- Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 20xx	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	Outstanding Balance	Comments
		2022-2023	2021-2022	
Compensation of employees				
Committee expenses	Payment of committee expenses	588,040	0	Not paid
Amounts due to other Government entities				
Almaris primary school	Construction of classroom	1,125,000	0	Not paid
Chepokachim Primary school	Construction of classroom	1,125,000	0	Not paid
Cheptoch Primary School	Construction of classroom	1,125,000	0	Not paid
Chewayet Primary School	Construction of pit latrines	500,000	0	Not paid
Kapurum Primary School	Construction of pit latrines	500,000	0	Not paid
keringet Primary School of deaf	Construction of classroom	1,250,000	0	Not paid
Kitaleposho Primary School	Construction of pit latrines	500,000	0	Not paid
Lokna Primary School	Construction of classroom	1,000,000	0	Not paid
Mokongwo Primary School	Construction of pit latrine	500,000	0	Not paid
Mortome Primary School	Construction of pit latrine	500,000	0	Not paid
Putor Primary School	Construction of pit latrine	500,000	0	Not paid
Simitei Primary School	Construction of pit latrine	500,000	0	Not paid
Siyoi Primary School	Renovation of classes	4,000,000	0	Not paid
Tamugh Primary School	Construction of classroom	1,125,000	0	Not paid
Tomena Primary School	Renovation of classes	5,000,000	0	Not paid
St.Michael Secondary School Bus	Purchase of School Bus	-	8,093,783	
Sub-Total		19,250,000.00	8,093,783	Not paid

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Amounts due to other grants and other transfers				
AGC Ketiam Boys Secondary School	Construction of classes	1,000,000.00		Not paid
ELCK Galiblityei Mixed Secondary School	Construction of laboratory	2,000,000.00		Not paid
Kamito Girls Secondary School	Construction of classes	3,000,000.00		Not paid
Kanyarkwat Mixed Day Secondary School	Construction of classes	5,000,000		Not paid
Kapchila Secondary School	Construction of classes	500,000		Not paid
Kaprech Secondary School	Construction of classes	1,000,000		Not paid
Kaprom Secondary School	Construction of classes	1,000,000		Not paid
St.CatherineGirls Secondary School-Chepnyal	Purchase of school bus	8,732,000		Not paid
St.Paul Boys SecondarySchool-Kitelakapel	Purchase of school bus	8,732,000		Not paid
Sub-Total		30,964,000.00		Not paid
				Not paid
OTHER GRANTS AND OTHER PAYMENTS				
Security Projects				
Mwotot Assistant Chiefs Office	Construction of assistant chiefs office	2,500,000.00		Not paid
Kapchila Assistant Chiefs Office	Construction of assistant chiefs office	2,500,000		Not paid
Kapenguria Administration Police Line Camp	Renovation of 3 a line houses	3,000,000		Not paid
Mtembur Chiefs Office	Construction of assistant chiefs office	1,000,000		Not paid
Total		9,000,000		Not paid
Other payments				
strategic plan	Preparation of a 5year strategic plan	2,200,000		Not paid
Sub-Total		2,200,000		Not paid

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Emergency	To cater for unforeseen occurrences	5,846,190.00		Not paid
Sub-Total		5,846,190.00		Not paid
Bursary and Social Security				
4.1 Secondary Schools	Payment of bursary for secondary students	3,342,391.00	14,880,664	Not paid
4.2 Tertiary Institutions	Payment of bursary for tertiary institutions students	13,325,435.00	3,083,935	Not paid
4.4 Special Needs	Payment of bursary for special needs students	1,180,000.00		Not paid
Total		17,847,826	17,964,599	Not paid
Sports				
Bendera Foot Ball Club	Purchases of assorted sports equipments	265,000		Not paid
Chepkoti Foot Ball Club	Purchases of assorted sports equipments	165,000		Not paid
Chewayet Foot Ball Club	Purchases of assorted sports equipments	265,000		Not paid
Constituency Sports Tournament	Purchases of assorted sports equipments	73,000		Not paid
Kamito Boys Secondary School	Purchases of assorted sports equipments	204,203		Not paid
Kamorow Foot Ball Club	Purchases of assorted sports equipments	265,000		Not paid
Kapenguria Citizen	Purchases of assorted sports equipments	265,000		Not paid
Kapenguria Youth Foot Ball Team	Purchases of assorted sports equipments	265,000		Not paid

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Kaprech FootBall Club	Purchases of assorted sports equipments	165,000		Not paid
Kongelai Youngsters Football Club	Purchases of assorted sports equipments	227,000		Not paid
Murkwijit Foot Ball Club	Purchases of assorted sports equipments	265,000		Not paid
Regional Sports Tournament	Purchases of assorted sports equipments	350,000		Not paid
Turkwel foot Ball Team	Purchases of assorted sports equipments	265,000		Not paid
	Payment for Sport activities	-	73,778	
Total		3,039,203	73,778	Not paid
Environment				
Kanyarkwat Mixed Day Secondary School	Installation of gutters and 2 ten thousand water tank	500,000		Not paid
Ketiam Primary School	Installation of gutters and 2 ten thousand water tank	400,000		Not paid
Lokitedel Primary School	Installation of gutters and 2 ten thousand water tank	400,000		Not paid
Ptoo Primary School	Installation of gutters and 2 ten thousand water tank	400,000		Not paid
Siyoi Secondary School	Installation of gutters and 2 ten thousand water tank	500,000		Not paid
TomenaPrimary School	Installation of gutters and 2 ten thousand water tank	400,000		Not paid
Totum Secondary School	Installation of gutters and 2 ten thousand water tank	439,203		Not paid
Sub-Total		3,039,203		Not paid

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Emergency	For Unseen events in the constituency	-	72,138	
Acquisition of assets	NG-CDF office furniture and photocopier	596,000	0	Not paid
Sub-Total		596,000	72,138	
Oversight Committee Expenses(itemize)				
Committee expenses	Payment of COC expenses	300,000	236,939	Not paid
Domestic travel and subsistence	Payment of COC domestic expenses	705,000	0	Not paid
Refined Fuel, oil & Lubricants	Payment of refined oils, fuel & lubricants for coc	514,602	0	Not paid
Others (<i>specify</i>)		-		
Sub-Total		1,519,602	236,939	
Funds pending approval				
Grand Total		93,890,064	26,441,237	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs)
	2021/2022			2022/2023
Land	5,762,239	-	-	5,762,239
Buildings and structures	20,880,000	-	-	20,880,000
Transport equipment	13,057,402	-	-	13,057,402
Office equipment, furniture and fittings	1,209,171	-	-	1,209,171
ICT Equipment, Software and Other ICT Assets	1,126,634	-	-	1,126,634
Other Machinery and Equipment	0	-	-	0
Heritage and cultural assets	0	-	-	0
Intangible assets		-	-	
Total	42,035,446	0	0	42,035,446

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Annex 5 –PMC Bank Balances As At 30th June 2023

PMC	Bank	Account number	Date opened	Bank Balance 2022/23	Bank Balance 2021/20
Tomena Primary School PMC	Equity	1070284149238	31/05/2023	1,000	
Kitalekapel Primary School PMC	Equity	1070284328191	31/05/2023	500,000	
St. Michael Ptoyo Secondary School PMC	Equity	1070162613440	07/02/2022	433	
Turkwel Gorge Secondary School PMC	Equity	1070284127141	04/11/2023	48	
Kitalekapel Technical Training Institute PMC	Equity	1070284080651	22/03/2023	30,000	
Arap Maina Primary School	Equity	1070167034674	03-03-2016		3,510
Embough Primary School	Equity	1070280557303	10-02-2021		760
Chepkechir Primary School	Equity	1070282047354	26-11-2021		130
Karon Primary School	Equity	1070164995095	16-09-2015		4,990
Psigirio Primary School	Equity	1070169598828	29-08-2016		970
Embough Primary School	Equity	1070280557303	10-02-2021		760
Tamugh Primary School	Equity	1070282008213	16-11-2021		1,001,026
Kaibos primary school	Equity	1070294980360	15-02-2010		595
Kitelakapel primary	Equity	1070279823036	18-05-2020		1,581,180
Tomena primary school	Equity	1070281158379	12-08-2021		1,115
Siyoi Primary	Equity	1070280184040	12-10-2020		5,440
Sayuni Girls Sec	Equity	1070280516681	28-01-2021		624,499

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PMC	Bank	Account number	Date opened	Bank Balance 2022/23	Bank Balance 2021/20
Adurkoit Girls Sec School	Equity	1070281163672	13-08-2021		140
Kamayech Sec Sch	Equity	1070276404589	27-03-2018		8,130
Safina Boys Sec School	Equity	1070280603939	25-02-2021		4,980
Turkwel George	Equity	1070268015030	12-05-2016		163,769
Total				531,481	3,401,994

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Unsupported Transfers to Other Government Entities Project payments totalling to Kshs.21,530,678 were not supported by; project files, work plans, bills of quantities, expenditure returns, PMC minutes, handover reports and completion certificates field inspection of the twelve (12) projects in March, 2023 revealed implementation concerns including poor workmanship, delays and non-labeling of the projects.	The management have ensured that all projects management committees(PMC's) have projects files that contains; work plans, bills of quantities, expenditure returns, PMC minutes, handover reports and completion certificates	Unresolved	
2.	Cash and Cash Equivalents The bank reconciliation statements for June, 2022 reflect unrepresented cheques amounting to Kshs.1,615,004 out of which Kshs.326,000 had become stale and were not reversed to the cashbook.	The management of kapenguria NG-CDFC have since replaced all stale cheques and reversed in the cash book .	Unresolved	
3.	Unsupported Project Management	All the PMCs bank accounts balances have	Unresolved	

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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>Committee Bank Balances Cash books, bank reconciliation statements and bank statements for Project Management Committee of Kshs.3,401,994 held in twenty-two bank accounts were not provided for audit.</p>	<p>since been validated by bank statements, certificates of balances and are ready for reviews</p>		
4.	<p>Accuracy of Fixed Assets Records However, the asset register reflects total asset amount of Kshs.41,988,600 resulting to unexplained variance of Kshs.46,846. Further, the land on which the Fund's building and structures are built on has not been valued and included in the fixed asset register. In addition, no evidence of land ownership provided for audit review.</p>	<p>The land on which the Fund's building and structures are built on was allocated by the County Commissioner and ownership documents still indicates as part of the National government land</p>	Unresolved	
5.	<p>Budgetary Control and Performance The summary statement of appropriation reflect a final total receipts budget of Kshs.188,041,077 against actual receipts of Kshs.174,582,198 resulting in underfunding of Kshs.13,458,879 or 7% of budgeted funds. Similarly, the total payments of Kshs.161,599,841 were made against the budget of Kshs.188,041,077 resulting to an under-absorption of Kshs.26,441,237 or</p>	<p>This was occasioned by the delay disbursement of funds from the board.</p>	Unresolved	

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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)
	14% of the budget.			
6.	<p>Delay in Disbursement of Funds from the Board</p> <p>The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board of Kshs.170,088,879 out of which Kshs.33,000,000 or 19% of total receipts were in respect of 2020/2021 financial year. Further, balance of Kshs.13,458,879 for the year under review remained undisbursed.</p>	<p>This situation was occasioned by factors beyond the NG-CDFC for kapenguria control,</p> <p>However the entity undertakes to implement all projects timely when funding is available</p>	Unresolved	
7.	<p>Irregular Disbursement of Bursaries</p> <p>The bursary awards were done by a bursary sub-committee, there was no evidence to show that vetting, identification and categorizing of needy students was done using approved formal criteria. Further, the subcommittee did not include the area Education Officer or a representative from the Ministry of Education. In addition, out of a sample for Kshs.10,070,000 bursary disbursements reviewed, bursary payments amounting to Kshs.7,410,000 were acknowledged by respective institutions</p>	<p>The bursary awards were done by a bursary sub-committee headed by the ministry of education sub-county representative and there are minutes, lists of all applicants, lists of beneficiaries, vetting criterion, identification and categorizing of needy students was done using approved criteria by the NG-CDFC and adopted by the subcommittees</p> <p>Acknowledgement of receipts of the cheque have since been filled .</p>	Unresolved	

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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)
	while a balance of Ksh.2,660,000 were not acknowledged.			
8.	Security Projects Kshs.1,500,000 was incurred on fencing Kapenguria Administration Police camp. However, the project file with approved bills of quantities, inspection certificates from the clerk of works, tender advertisement and structural drawings were not provided for audit review. Further, the tender opening committee minutes were not signed.	The project file for the Kapenguria AP line fencing projects with approved bills of quantities, inspection certificates from the clerk of works, tender advertisement and structural drawings and all the tender opening committee minutes have since been provided and ready for reviews	Unresolved	
9.	Emergency Projects Kshs.5,565,000 was incurred on repair of classrooms, construction of a pit latrines and repair of water drainage system in respect of ten projects. However, the payments did not meet emergency criteria. Further, there was no evidence to show that Fund Management notified the Board after emergency payments were made	Fund Management notified the Board after emergency payments were made <i>See attached later</i>	Unresolved	
10.	Delayed Remittance of National Social Security Fund (NSSF) Contributions Amount totalling to Kshs.38,076 paid on 9 November, 2021 as outstanding National Social Security Fund arrears for the month of August and September, 2021 inclusive of	This situation was occasioned by delay of funds disbursement from the board However the management commits to pay all remittances of social security fund contributions as ans when funds are available	Unresolved	

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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)
	late payment penalties of Kshs.2,856.			
11.	Lack of Clerk of Works The Fund management did not engage the services of the technical expert, -clerk of works, to assist in the project implementation	The fund management at the constituency have since employed a qualified clerks of works to assist in the projects implementation	Unresolved	
12.	Lack of Staff Appraisal The statement of receipts and payments reflects compensation of employees amount of Kshs.3,955,542 in respect of twenty-one (21) members of staff. However, the Fund did not carry out staff appraisal	The management have since rolled out staff appraisal exercise	Unresolved	

KAPENGURIA CONSTITUENCY DEVELOPMENT FUND
23 MAR 2024
FUND
P.O. BOX 1000

STEPHEN ALUKURENG MNANG'AT
Fund Account Manager.