

REPUBLIC OF KENYA



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Deputy Majority Party Whip

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A. Shibuko

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2024**



Revised 30th June 2024



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
NAROK EAST CONSTITUENCY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024

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

Table of Contents	Page
1. Acronyms and Definition of Key Terms.....	ii
2. Key Constituency Information and Management	iii
3. NG-CDFC Chairman’s Report	vii
4. Statement of Performance Against Predetermined Objectives for FY 2023/25	xiii
5. Governance Statement.....	xv
6. Environmental and Sustainability Reporting.....	xxii
7. Statement of Management Responsibilities	xxvi
8. Report of the Independent Auditors on the NGCDF- Narok East Constituency.....	xxviii
9. Statement of Receipts and Payments for the Year Ended 30th June 2024	1
10. Statement of Assets and Liabilities as at 30th June, 2024.....	2
11. Statement Of Cash Flows for the Year Ended 30th June 2024.....	3
12. Summary Statement of Appropriation for The Year Ended 30 th June 2024	4
13. Budget Execution By Sectors And Projects For The Year Ended 30 th June 2024	6
14. Significant Accounting Policies.....	11
15. Notes To the Financial Statements.....	16
16. Annexes.....	26

1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
ARMC	Audit and Risk Management Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMC	Project Management Committee
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)

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 2023. 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 the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

- a) Recognize the constituency as a platform for the 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) 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.

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 are as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Dennis Matundura
2.	National Sub-County Accountant	Joseph Mweru
3.	Chairman NGCDFC	Tapaiya Punyua

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Narok East Constituency Headquarters

P.O. Box 664-20500
NAROK EAST NG CDF Building
Junction – Nairekia Enkare Road
Narok, KENYA

(f) NGCDF Narok East Constituency Contacts

Telephone: (254) 722811542
E-mail: cdfnarokeast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Narok East Constituency Bankers

1. Equity Bank. (Operations Account). *Narok East National Government Constituencies Development Fund*
Narok Branch
P.O. Box 1023-20500
Narok
2. Equity Bank. (Deposit account). *Narok East NG-CDF Deposit Account*
Narok Branch
P.O. Box 1023-20500

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



Tapaiya Punyua
Chairperson, Narok East NG-CDFC

Narok East Constituency is one of the six constituencies of Narok County.

There are four wards in the constituency namely Keekonyokie, Suswa, Mosiro & Ildamat. The Constituency's population stands at 115,323 according to Kenya Population and Housing Census 2019. The constituency covers 2,059.5 square kilometres.

Constituency Allocations & Current Year Budget

Narok East NG-CDF over the last three years is as follows:

Financial year	2023/2024	2022/2023	2021/2022
Allocation	176,848,253	138,215,033	137,088,879

The current financial year allocation includes ksh 10,254,533 allocated by the Ministry of Education for Junior Secondary Schools infrastructure programme. The funds were to be matched a shilling to a shilling by NG-CDF for the same program.

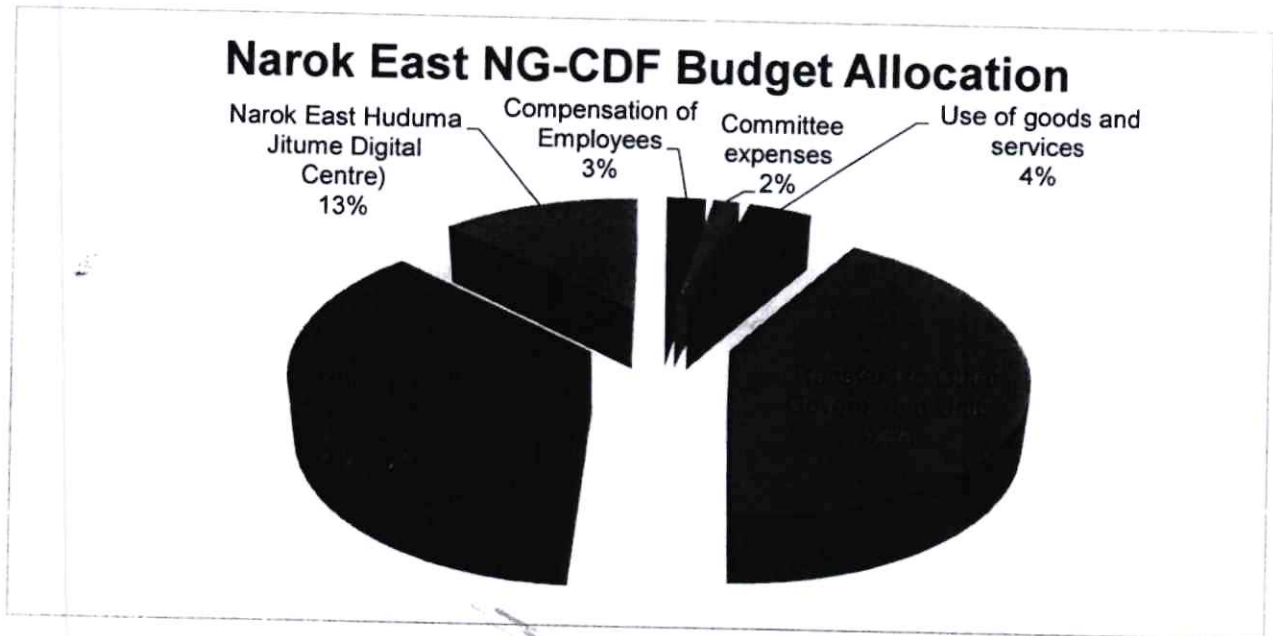
Original Budget

The budget for the current financial year stood at Kshs. 176,848.253. The budget was itemized as follows:

Item	Budget
Compensation of Employees	4,558,494
Committee expenses	3,020,000
Use of goods and services	7,414,940
Transfers to Other Government Units	74,245,467
Other grants and transfers	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Item	Budget
	64,609,352
Other payments(Huduma Jitume Digital Centre)	23,000,000
TOTAL	176,848,253



Funds Utilization by Sector

As depicted from the appropriation Statement below, the original budget was adjusted upwards with opening balances from the previous year and funds that was for previous financial year received in the current year. This pushed the final budget to 272,159,912 of which Kshs. 58,084,549 was not received from the NG-CDF Board as at the close of the financial year.

RECEIPTS		Opening Balance	Previous years Outstanding Disbursements	Final Budget	Actual	Budget Utilisation Difference	% of Utilisation
Transfers from NG-CDF Board	176,848,253	44,096,626	51,215,033	272,159,912	214,075,373	58,084,539	
Proceeds from Sale of Assets				-	-	-	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

RECEIPTS		Opening Balance	Previous years Outstanding Disbursements	Final Budget	Actual	Budget Utilisation Difference	% of Utilisation
Other Receipts			5,961	5,961	5,961	-	100%
TOTAL RECEIPTS	176,848,253	44,096,626	51,220,994	272,165,873	214,081,334	58,084,539	79%
TOTAL PAYMENTS	176,848,253	44,096,626	51,220,994	272,165,873	188,818,428	83,347,445	69%

The Constituency was able to absorb Kshs. 188,818,428 which represents 69% of the budget. The main component in transfer to other government entities which utilized the highest (42%) is Secondary Schools. Other grants and transfers included bursary, emergency and environmental allocation. Notably there is a planned and already approved allocation towards Digital Centre that will help create online jobs as per Government of Kenya directive. This is taking 13% of the budget.

Others are use of goods services that utilized 4%, committee expenses 2% while compensation of employees 3%. The detailed report is found on budget execution section.

Key achievements during the year

The Constituency, during the year, implemented a few projects majorly because of slow cash flow from the NG-CDF Board. The projects included issuance of bursary which formed bulky of the implementation, emergency and security. One major project stood out in this financial year. The project is as follows:

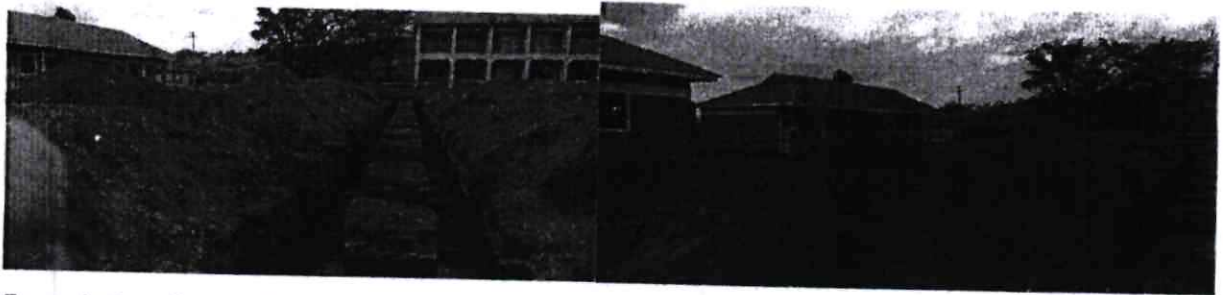
Oloirien Boys Secondary School: Tuition block & Dormitory Block

The project was allocated Kshs. 23,000,000 for tuition block and ksh 19,200,000 for the Dormitory block both funded in two financial years i.e 2022-23 and 2023-24. The projects are on-going as at preparation of these financial statements.

Pictorials of ongoing projects:



Foundation for the Dormitory Block at Olorien Boys



Foundation for the Tuition block

Some of existing projects at Olorien Boys:



Admin
Block



Dining Hall



Storey tuition block of 8 classrooms


Emerging issues and challenges

One of the major challenges is that the Constituency is vast and some of the roads are impassable especially when it rains. This makes monitoring of projects a difficulty exercise in some of the areas. The NG-CDF management is seeking partnership with other government entities responsible for establishment of access roads so that they help make all places accessible.

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Finally, Narok East NG-CDF management expresses gratitude towards the NG-CDF Board for their efficiency in handling issues in regards to projects approval, disbursement of fund and monitoring.

The other special thanks also go to the Office of the Auditor General for their every year input, especially advisory in our processes that have continuously improved our service delivery to the constituents.



.....
Name: Tapaiya Punyua
Chairman NG-CDF Committee



4. Statement of Performance Against Predetermined Objectives for FY 2023/25

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 the *NGCDF Narok East Constituency 2022-2027* plan are to:

- To mobilize more resources for community development.
- To improve safe water supply.
- To improve the health standards of the constituency.
- To improve infrastructure, especially schools and roads within the constituency.
- To build capacity of the community to implement development projects.
- Empower and training of youth

Progress on the 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	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to	- number of usable physical infrastructure build in	<ul style="list-style-type: none"> ✓ We constructed 8 Classrooms in primary schools ✓ We constructed 2 Staff houses in Primary Schools ✓ We constructed 10 Classrooms in

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Constituency Program	Objective	Outcome	Indicator	Performance
		secondary schools and tertiary institutions	primary, secondary, and tertiary institutions number of bursary beneficiaries at all levels	secondary schools <ul style="list-style-type: none"> ✓ We constructed 2 Laboratories in secondary schools ✓ We constructed 4 Dormitories in secondary schools ✓ 2,824 students were issued with secondary school bursaries ✓ 1,253 students were issued with tertiary bursaries
Security	To have conducive working environment for security agencies	Increased construction of chief's office	Number of usable infrastructures	In FY 2023/24 we did not disburse security funds as we did not budget for the same.
Environment	To improve environment by carrying out environmental activities	Increased planting of trees both indigenous and fruit trees	Improved environment	In the FY 2023/24, we did not implement environmental projects due to delays of disbursement from NG-CDF Board but ksh 1,000,000 was allocated towards planting of trees.
Sports	To empower youth through sports activities	Increased sports activities through Narok East tournament	Improved youth empowerment	In the year 2023/24, a tournament was carried out which brought together the youths of the constituency. Issue lie HIV/AIDS and drug abuse among others were discussed.
Disaster Management	To mitigate disasters through disaster management	Increased capacity building on disaster management	Improved awareness	Management has carried out PMC & NG-CDF staff capacity building to improve in the management of NG-CDF funds

5. Governance Statement

a) Appointment NG-CDF Committee members

The NGCDF Act 2016 on appointment of NGCDFC members states; (1) The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee.

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) shall consist of ;—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

The selection panel shall stand dissolved upon the appointment of the members of a Constituency Committee.

The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed Under the Act may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

The current members were vetted into office in the month of March 2023.

The criteria that was used in the advertisement was as follows:

1. Applicants must be Kenyan citizens
2. Be residents voters in Narok East Constituency
3. Applicants must be able to read and write, be able to communicate in English and Kiswahili.
4. Applicants must meet the requirement of chapter six of the Constitution

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

5. Applicants should be available to participate in the activities of the committee
6. For youth nominee, must have attained the age of 18 years and below the age of 35 years.

The Selection panel had three meetings which resulted into submission of proposed committee members to NG-CDF Board for approval by the National assembly. The appointed committee members were gazetted through Gazette volume number CXXV—No. 86 on 14th April 2023.

The following are the current members of Narok East NG-CDF:

No.	Name	Category	Ward
1	Tapaiya Olingashar Punyua	Man(Adult)	Mosiro
2	Hannah Nashipae Kusero	Woman(Youth)	Keekonyokie
3	Gladys Soittara	Woman(Adult)	Keekonyokie
4	William Kabaka	Coopted by the NG-CDF Board	Mosiro
5	Oropi Ole Matuiya Meshuko	Man (Youth)	
6	John Salaton Swakei	Nominee of Constituency Office (Male)	Ildamat
7	Pilale Ene Kashanga	Nominee of the Constituency Office (Female)	Suswa
8	Benard Lesinka Mututua	Representative of persons with Disability	Suswa
9	Musa Salat Issa	Deputy County Commissioner	Narok East Subcounty
10	Dennis Matundura	Officer of NG-CDF Board	

b) Removal of NG-CDF Member

A member may be removed from the NG-CDFC on grounds laid down on section 43 (13) of NG-CDF act 2015, amended 2022 that include:

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;
- (g) Physical or mental infirmity

At least five members can make a written resolution citing the ground for removal then accords that member a fair hearing before submitting their resolution to the NG-CDF Board. There is no member in Narok East NG-CDF who has been removed from the committee on the above grounds.

c) Functions of the NG-CDFC

The functions of the NG-CDFC are drawn from NG-CDF act 2015, amended 2022 and they include the following:

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

d) NG-CDFC meetings

Section 43(11): The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings. NG-CDFC holds monthly meetings, deliberating all issues for

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

the FAM to act on. Equally the subcommittees are active handling issues as mandated by the main committee.

During the financial year 2023/2024 the NG-CDFC Narok East held 11 main meetings as illustrated below;

S. N	NG-CDFC COMMITTEE MEMBERS	26/07/23	15/08/23	03/10/23	01/09/23	03/10/23	18/01/24	08/02/24	27/03/24	10/04/24	09/05/24	12/06/24
1	Tapaiya Punyua-Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Hannah Nashipae Kusero-Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Gladys Soittara-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	William Kabaka-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Oropi Ole Matuiya Meshuko-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	John Salaton Swakei-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Pilale Ene Kashanga-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Benard Lesinka Mututua-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Musa Salat Issa-DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

e) Capacity building of NG-CDFC Members

In the financial year 2023/2024 NG-CDFC did not manage to attend a regional training organised by Regional Co-ordinator. The training shall be conducted in the new financial year.

f) Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues;

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2022/2023 members of NGCDFC Narok East adhered to the above ethical issues.

g) Members' remuneration

NG-CDFC members are not entitled to payment of salary but sitting allowances as guided by the NG-CDF circulars. However, the chairperson of NGCDFC is entitled to an allowance of ksh7,000 per meeting and all other members an allowance of ksh.5,000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NG-CDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

h) Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2023/2024 no member of NGCDFC Narok East contravened conflict of interest policy.

i) Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper the delivery of service.

Some of the risk mitigation strategies that NGCDFC Narok East has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

6. Environmental and Sustainability Reporting

Narok East has valued environmental issues and their sustainability. The NG-CDFC has strived to ensure good working environment that enables effective service to constituents. The following have been tackled:

1. Sustainability strategy and profile -

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

- a) **Education and Training:** Narok East Constituency's 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 marginalized groups, including girls and people living with disabilities.

- b) **Security Sector Support:** Among its key pillars; Narok East 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.

2. Environmental performance

Narok East NG-CDF planned and allocated ksh 1,000,000 towards tree planting. The idea here is to come up with a tree nursery which shall serve as many schools as possible to aid in afforestation. The constituency enjoys good rainfall almost across the year hence this activity is geared to a success.

3. Employee welfare

We invest in providing the best working environment for our employees. Narok East 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. xxx 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-

Narok East Constituency is committed to fair and ethical market practices.

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-

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

Public Participation in Project Identification and Implementation and Monitoring

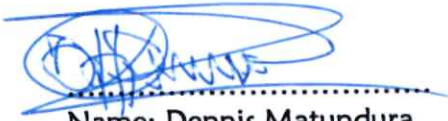
Narok East Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

Narok East Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



Name: Dennis Matundura
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-Narok East 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, 2024. 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-Narok East 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, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Narok East 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.

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

The Accounting Officer in charge of the NGCDF Narok East 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- Narok East Constituency financial statements were approved and signed by the Accounting Officer on 27/12/ 2024.

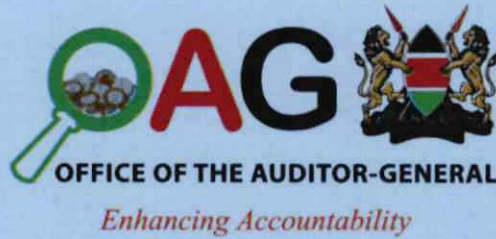
.....
Name: Tapaiya Punyua
Chairman – NGCDF Committee

.....
Name: Dennis Matundura
Fund Account Manager



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 – NAROK EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2024

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.

A Qualified Opinion is issued when the Auditor-General concludes that except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of internal controls Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Narok East Constituency set out on pages 1 to 40,

*Report of the Auditor-General on National Government Constituencies Development Fund – Narok East Constituency
for the year ended 30 June, 2024*

which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Narok East Constituency as at 30 June, 2024 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

Unsupported Fuel, Oil and Lubricants Expenditure

The statement of receipts and payments reflects use of goods and services amount of Kshs.6,424,372 as disclosed in Note 6 to the financial statements. Included in the amount, is fuel, oil & lubricants amount of Kshs.450,000. However, the expenditure was not supported by fuel registers, work tickets, detailed orders, local service orders and statements of consumption from the contracted suppliers.

In this circumstance, the accuracy and fair statement of fuel, oil and lubricants amount of Kshs.450, 000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund – Narok East 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 final receipts budget and actual amount on comparable of Kshs.272,165,873 and Kshs.214,081,334 respectively resulting in underfunding of Kshs.58,084,539 or 21% of the budget. Similarly, the Fund spent a total amount of Kshs.188,818,428 against actual receipts of Kshs.214,081,334 resulting to an under-utilization of Kshs.25,662,906 or 12% of the actual receipts.

Management attributed the underfunding and underutilization to low or delayed disbursement of funds from the National Constituencies Development Fund Board.

The underfunding and under-utilization affected the planned activities of the Fund and may have adversely affected 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. Except for the effects of the matter described in the Basis for Qualified Opinion section of my report, I have determined that there are no other key audit matters to communicate in my report

Other Matter

Unresolved Prior Year Matters

Various prior year audit issues remained unresolved. Management has not provided reasons for the delay in resolving the prior year audit contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires accounting officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding. The issues therefore remain outstanding as shown in the report on progress on follow up of auditor recommendations as no evidence has been presented for their resolution.

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

Other Information

The Management is responsible for the other information set out on page iii to xxvii which comprise of Key Constituency Information and Management, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, 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. Delay in Disbursement of Funds from the Board

Summary statement of appropriation reflects transfers from National Government Constituencies Development Fund Board amount of Kshs.214,075,373. However, the amount of Kshs 214,075,373 includes Kshs.44,096,626 or 21% of total receipts being an opening balance during the year while Kshs.51,220,994 relates to funding for the financial year 2022/2023. This is contrary to Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the Constituency Fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year. Further Section 40(1) which stipulates that the Board shall ensure that the list of projects forwarded to it by each constituency is, upon approval, funded in accordance with the Act.

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

2. Lack of Bursary Quarterly Reports

The statement of receipts and payments reflects other grants and transfers amount totalling Kshs 68,517,409 as disclosed in Note 8 to the financial statements. Included in this amount are bursaries to secondary schools and tertiary institutions amounts of Kshs.40,791,338 and Kshs.23,411,010 respectively.

Review of the bursary payment vouchers revealed that Management did not prepare quarterly bursary reports on the effectiveness of the bursary programme together with the list of the beneficiaries. This was contrary to Paragraph g (i & ii) page 6 & 22 of NG-CDF Board circular referenced NGCDFB/CEO/BOARD CIRCULARS Vo.II (021) on Guidelines for administration of Education bursary scheme requiring Fund Manager to submit quarterly reports to the Board by 12th day of the ensuing month in the format provided in Annex 4 of the circular.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of a Risk Management Policy and Risk Register

The Fund does not have a risk management policy that guides on assessment and evaluation of risk and to develop the strategies to mitigate them. This is contrary to Regulation 165(1) of the Public Finance Management Act (National Government) Regulations, 2015 which require the Accounting Officer to ensure that the National Government entity develops risk management strategies, which includes fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

In the circumstances, it was not possible to confirm whether the risks faced had been identified and appropriately mitigated.

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

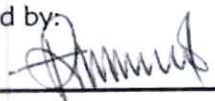
National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

9. Statement of Receipts and Payments for the Year Ended 30th June 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	169,978,747	87,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	5,961	-
TOTAL RECEIPTS		169,984,708	87,000,000
PAYMENTS			
Compensation of employees	4	4,643,079	2,687,618
Committee expenses	5	2,366,680	2,974,500
Use of goods and services	6	6,424,372	1,829,390
Transfers to Other Government Units	7	103,366,888	32,008,000
Other grants and transfers	8	68,517,409	12,002,132
Acquisition of Assets	9	-	-
Other Payments	10	3,500,000	-
TOTAL PAYMENTS		188,818,428	51,501,640
SURPLUS/DEFICIT		(18,833,720)	35,498,360

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 NGCDFC on 27/12 2024 and signed by:



Chairman NG-CDF
Committee
Name: Tapaiya Punyua



Fund Accountant Manager
Name: Dennis Matundura



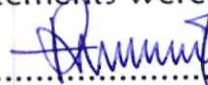
National Sub-County
Accountant
Name: Joseph Mweru
ICPAK M/No: 15711


*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*


10. Statement of Assets and Liabilities as at 30th June, 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	26,345,372	44,096,626
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		26,345,372	44,096,626
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		26,345,372	44,096,626
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13	-	-
Gratuity	14	1,082,466	-
NET FINANCIAL ASSETS		25,262,906	44,096,626
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	44,096,626	8,598,266
Prior year adjustments	16	-	-
Surplus/Deficit for the year		(18,833,720)	35,498,360
NET FINANCIAL POSITION		25,262,906	44,096,626

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 21/12 2024 and signed by:


.....
Chairman NG-CDF
Committee
Name: Tapaiya Punyua


.....
Fund Accountant Manager
Name: Dennis Matundura


.....
National Sub-County
Accountant
Name: Joseph Mweru
ICPAK M/No: 15711



*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

11. Statement Of Cash Flows for the Year Ended 30th June 2024

	Notes	2023-2024	2022-2023
		Kshs	Kshs
Receipts From Operating Activities			
Transfers from NGCDF Board	1	169,978,747	87,000,000
Other Receipts	3	5,961	-
Payments for operating activities			
Compensation of Employees	4	4,643,079	2,687,618
Committee expenses	5	2,366,680	2,974,500
Use of goods and services	6	6,424,372	1,829,390
Transfers to Other Government Units	7	103,366,888	32,008,000
Other grants and transfers	8	68,517,409	12,002,132
Other Payments	10	3,500,000	-
		188,818,428	51,501,640
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	1,082,466	-
Prior year Adjustments	16	-	-
Net Adjustments		1,082,466	-
Net cash flow from operating activities		(17,751,254)	35,498,360
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		(17,751,254)	35,498,360
Cash and cash equivalent at BEGINNING of the year	11	44,096,626	8,598,266
Cash and cash equivalent at END of the year		26,345,372	44,096,626



Chairman NG-CDF
Committee
Name: Tapaiya Punyua



Fund Accountant Manager
Name: Dennis Matundura



National Sub-County
Accountant
Name: Joseph Mweru
ICPAK M/No: 15711



*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

12. Summary Statement of Appropriation for The Year Ended 30th June 2024

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2023-2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023-2024	2023-2024		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NG-CDF Board	176,848,253	44,096,626	51,215,033	272,159,912	214,075,373	58,084,539	79%
Proceeds from Sale of Assets				-	-	-	0%
Other Receipts		5,961		5,961	5,961	-	100%
TOTAL RECEIPTS	176,848,253	44,102,587	51,215,033	272,165,873	214,081,334	58,084,539	79%
PAYMENTS							
Compensation of Employees	4,558,476	1,073,670	-	5,632,146	4,643,079	989,067	82%
Committee expenses	2,508,000	-	1,300,000	3,808,000	2,366,680	1,441,320	62%
Use of goods and services	7,926,958	3,918,049	-	11,845,007	6,424,372	5,420,635	54%
Transfers to Other Government Units	84,500,000	5,660,000	43,806,888	133,966,888	103,366,888	30,600,000	77%
Other grants and transfers	54,354,819	33,444,907	2,608,145	90,407,871	68,517,409	21,890,462	76%
Acquisition of Assets	-	-	-	-	-	-	0%
Other Payments	23,000,000	-	3,500,000	26,500,000	3,500,000	23,000,000	13%
Funding pending approval	-	5,961	-	5,961	-	5,961	
TOTAL	176,848,253	44,102,587	51,215,033	272,165,873	188,818,428	83,347,445	69%


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


*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*


Explanatory Notes.

All items were below 100% since the NG-CDF Board had not disbursed ksh 58,084,539 as at close of the financial year Original budget is significantly different from final budget since there were funds for previous year not utilized(ksh 44,096,626) and amounts relating to previous year but disbursed under current year i.e ksh 51,215,033 as well as ksh 5,961 that were deposited back from PMC upon closure of various PMC accounts

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	83,347,445
Less undisbursed funds receivable from the Board as at 30th June 2024	58,084,539
	25,262,906
Add Accounts payable	1,082,466
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2023/2024	26,345,372


.....
Chairman NG-CDF
Committee
Name: Tapaiya Punyua


.....
Fund Accountant Manager
Name: Dennis Matundura


.....
National Sub-County
Accountant
Name: Joseph Mweru
ICPAK M/No: 15711



National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

13. Budget Execution By Sectors And Projects For The Year Ended 30th June 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years		comparable basis	
			Outstanding Disbursements			
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,558,476	1,073,670		5,632,146	4,643,079	989,067
1.2 Committee allowances	1,128,000			1,128,000	1,076,000	52,000
1.3 Use of goods and services	4,309,147	3,563,106		7,872,253	6,173,492	1,698,761
Sub-total	9,995,623	4,636,776	-	14,632,399	11,892,571	2,739,828
2.0 Monitoring and evaluation						
2.1 Capacity building	1,760,000	354,943		2,114,943	250,880	1,864,063
2.2 Committee allowances	1,380,000			1,380,000		1,380,000
2.3 Use of goods and services	1,857,811			1,857,811		1,857,811
Sub-total	4,997,811	354,943	-	5,352,754	250,880	5,101,874
3.0 Constituency Oversight Committee (Itemize as per budget)						
3.1 Daily subsistence Allowance			300,000	300,000	300,000	0
3.2 Travel Allowance			50,000	50,000	50,000	-
3.3 Hiring of Training facilities			35,000	35,000	35,000	-
3.4 Remuneration of instructors			25,000	25,000	25,000	-
3.5 Catering services			40,000	40,000	40,000	-
3.6 Monitoring & Evaluation Allowances			150,000	150,000	140,680	9,320
Committee Expenses			600,000	600,000	600,000	-
Fuel & Lubricants			100,000	100,000	100,000	-
Sub-total	-	-	1,300,000	1,300,000	1,290,680	9,320

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
4.0 Emergency						
4.1 Primary Schools				-		-
4.1.1 Oltepesi Primary School	315,760			315,760	315,760	-
4.1.2 Ereteti Primary School	1,000,000			1,000,000	1,000,000	-
4.2 Secondary schools				-		-
4.3 Tertiary institutions				-		-
4.4 Security projects						
4.4.1 Ntulele Police Station	235,000			235,000	235,000	-
4.5 Unutilized Emergency	7,217,331	1,041,190		8,258,521	-	8,258,521
Sub-total	8,768,091	1,041,190	-	9,809,281	1,550,760	8,258,521
5.0 Bursary and Social Security						
5.1 Primary Schools						
5.2 Secondary Schools	26,586,728	19,948,189		46,534,917	40,791,338	5,743,579
5.3 Tertiary Institutions	18,000,000	12,299,372		30,299,372	23,411,010	6,888,362
5.4 Universities				-		-
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	44,586,728	32,247,561	-	76,834,289	64,202,348	12,631,941

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years			
			Outstanding Disbursements			
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
6.0 Sports						
6.1 Regional Sports			300,000	300,000	300,000	-
6.2 Constituency Sports		156,156	2,308,145	2,464,301	2,464,301	-
Sub-total	-	156,156	2,608,145	2,764,301	2,764,301	-
7.0 Environment						
7.1 Narok East NG CDF Office	1,000,000			1,000,000		1,000,000
Sub-total	1,000,000	-	-	1,000,000		1,000,000
8.0 Primary Schools Projects						
8.1 Nambao Primary School (JSS NGCDF)	3,000,000			3,000,000	3,000,000	-
8.2 Kikuyian Primary School (JSS NGCDF)	3,000,000			3,000,000		3,000,000
8.3 Kikuyian Primary School (JSS NGCDF)	245,467			245,467		245,467
8.4 Ilkirekerian Primary School (JSS NGCDF)	4,500,000			4,500,000	4,500,000	-
8.5 Kikuyian Primary School	2,500,000			2,500,000		2,500,000
8.6 Ntemel Primary School (JSS MOE)	3,000,000			3,000,000		3,000,000
8.7 Sekerot Primary School (JSS MOE)	3,000,000			3,000,000	3,000,000	-
8.8 Kikuyian Primary School (JSS MOE)	1,254,533			1,254,533		1,254,533

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years'			
			Outstanding Disbursements			
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
8.9 Namelok Primary School (JSS MOE)	3,000,000			3,000,000	3,000,000	-
8.10 Kikuyian Primary School		900,000		900,000	300,000	600,000
8.11 Olekuntere Primary School		1,132,000		1,132,000	1,132,000	-
8.11 Ranke Primary School		132,000		132,000	132,000	-
				-		-
Sub-total	23,500,000	2,164,000	-	25,664,000	15,064,000	10,600,000
9.0 Secondary Schools Projects						
9.1 Olaimutiai Girls Secondary School	1,000,000		13,000,000	14,000,000	14,000,000	-
9.2 Mosiro Secondary School	8,000,000		9,600,000	17,600,000	17,600,000	-
9.3 Mosiro Secondary School	1,000,000			1,000,000	1,000,000	-
9.4 Ndorobo Day Secondary School	3,000,000			3,000,000	3,000,000	-
9.5 Ndorobo Day Secondary School	5,000,000			5,000,000	5,000,000	-
9.6 Ndorobo Day Secondary School	1,000,000			1,000,000	1,000,000	-
9.7 Enooseyia Secondary School	8,000,000			8,000,000	8,000,000	-
9.8 Sintakara Secondary School	5,000,000			5,000,000	5,000,000	-
9.9 St. Anthonys Girls Secondary School	8,000,000			8,000,000		8,000,000
9.10 Olorien Boys Secondary School	9,000,000		10,200,000	19,200,000	19,200,000	-
9.11 Olorien Boys Secondary School	12,000,000		11,006,888	23,006,888	11,006,888	12,000,000
9.12 Oletukat Sec School		3,496,000		3,496,000	3,496,000	-
Sub-total	61,000,000	3,496,000	43,806,888	108,302,888	88,302,888	20,000,000
10.0 Tertiary institutions Projects						
10.1				-		-

**National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/B) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total	-	-	-	-	-	-
11.0 Security Projects						
11.1						
Sub-total	-	-	-	-	-	-
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)						
12.2 Construction of CDF office						
12.3 Purchase of furniture and equipment						
12.4 Purchase of computers						
12.5 Purchase of land						
Sub-total	-	-	-	-	-	-
13.0 Others						
13.1 Strategic Plan			3,500,000	3,500,000	3,500,000	-
13.2 Narok East ICT Huduma Jitume Digital Centre	23,000,000			23,000,000	-	23,000,000
Sub-total	23,000,000	-	3,500,000	26,500,000	3,500,000	23,000,000
Funds pending approval**						
unapproved projects						
AIA						
PMC savings		5,961		5,961		5,961
Sub-total	-	5,961	-	5,961	-	5,961
Total	176,848,253	44,102,587	51,215,033	272,165,873	188,818,428	83,347,445

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;

- Receivables that include imprests
- Payables that include gratuity and retentions.

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

2. Reporting Entity

The financial statements are for the NGCDF-Narok East 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. Recognition of Receipts

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

a. 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.

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. 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.

e. 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.

5. Recognition of payments

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

a) Compensation of Employees

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

b) 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.

c) Acquisition of Fixed Assets

The payment on the 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.

National Government Constituencies Development Fund (NGCDF)

Narok East Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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

6. 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.

7. Cash and Cash Equivalents

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

8. 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.

9. Accounts Payable

For 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 the fulfilment of obligations by the contractor and holding deposits on behalf of third parties. Gratuity earned 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 the National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

10. 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.

11. 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 the NGCDF Act, 2015

12. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2023 for the period 1st July 2023 to 30th June 2024 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.

13. Comparative Figures

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

14. 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 2024.

15. 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

National Government Constituencies Development Fund (NGCDF)

Narok East Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate 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.

16. 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.

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
NGCDF Board	Kshs	Kshs
AIE NO. B 205505		57,000,000
AIE NO. B 207976		30,000,000
AIE NO. B 214475	22,008,145	
AIE NO. B 214694	29,206,888	
AIE NO. B 225172	30,000,000	
AIE NO. B 226179	28,763,714	
AIE NO. B 214863	60,000,000	
TOTAL	169,978,747	87,000,000

2. Proceeds From Sale of Assets

	2023-2024	2022-2023
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

3. Other Receipts

	2023-2024	2022-2023
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	5,961	-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	5,961	-

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

4. Compensation Of Employees

	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,310,528	2,687,618
Personal allowances paid as part of salary		
House allowance	343,200	-
Transport allowance	720,000	-
Leave allowance	-	-
Gratuity-contractual employees	1,082,466	-
Employer Contributions Compulsory national social security schemes	135,645	-
Employer Contributions Compulsory Housing levy	51,240	-
Employer contributions to National Industrial Training Authority	-	-
TOTAL	4,643,079	2,687,618

5. Committee Expenses

	2023-2024	2022-2023
	Kshs	Kshs
A. NG-CDF	Kshs	Kshs
Sitting allowance	1,076,000.00	1,314,900.00
Other committee expenses	-	1,659,600.00
Sub-total	1,076,000.00	2,974,500.00
B. Oversight Committee Expenses		
Members allowance	1,290,680.00	-
Other committee expenses	-	-
Sub-total	1,290,680.00	-
TOTAL(A+B)	2,366,680.00	2,974,500.00

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

6. Use of Goods and services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	-	-
Communication, supplies and services	80,000	-
Domestic travel and subsistence	790,500	416,600
Printing, advertising and information supplies & services	-	212,500
Rentals of produced assets	-	-
Training expenses	250,880	1,006,690
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,392,068	43,000
Fuel , oil & lubricants	450,000	150,000
Other operating expenses	3,019,924	-
Bank Charges	-	600
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	441,000	-
Routine maintenance- other assets	-	-
TOTAL	6,424,372	1,829,390

7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers to Primary Schools	15,064,000	6,036,000
Transfers to Secondary Schools	88,302,888	25,972,000
Transfers to Tertiary Institutions	-	-
TOTAL	103,366,888	32,008,000

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

8. Other Grants and Other transfers

	2023-2024	2022-2023
	Kshs	Kshs
Bursary - Secondary (see attached list)	40,791,338	3,657,960
Bursary -Tertiary (see attached list)	23,411,010	4,984,870
Bursary- Special Schools	-	-
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	-	-
Sports Projects (see attached list)	2,764,301	-
Environment Projects (see attached list)	-	-
Emergency Projects (see attached list)	1,550,760	3,359,302
Roads Projects	-	-
TOTAL	68,517,409	12,002,132

9. Acquisition Of Assets

	2023-2024	2022-2023
	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	-	-

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

10. Other Payments

	2023-2024	2022-2023
	Kshs	Kshs
Strategic Plan	3,500,000	-
ICT Hubs	-	-
Others (specify)		-
TOTAL	3,500,000	-

11. Cash and Cash Equivalents

Name of Bank and Account No.	2023-2024	2022-2023
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank Ltd, A/C no. 0360261237642, Narok Branch . (main account)</i>	25,262,906	44,096,626
<i>Equity Bank Ltd, A/C no. 0360285470010, Narok Branch . (Deposit account)</i>	1,082,466	-
TOTAL	26,345,372	44,096,626
11B: CASH IN HAND)		
	2023-2024	2022-2023
	Kshs	Kshs
	(30/6/2023)	(30/6/2022)
<i>Location 1</i>	-	-
<i>Location 2</i>	-	-
<i>Location 3</i>	-	-
<i>Other receipts (specify)</i>	-	-
TOTAL	-	-

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

12. Outstanding Imprests

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

[Include an annex if the list is longer than 1 page.]

13. Retention

	2023-2024 KShs	2022-2023 KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

Retentions aging analysis.

	Insert Current FY	% of the total Retention	Insert Comparative FY	% of the total Retention
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

14. Gratuity

	2023-2024	2022-2023
	KShs	KShs
Gratuity as at 1st July (A)	-	-
Gratuity held during the year (B)	1,082,466.00	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30th June D= A+B-C	1,082,466.00	-

Gratuity aging analysis

	Insert Current FY	% of the total Gratuity	Insert Comparative FY	% of the total Gratuity
Under one year	721,644	67	-	
1-2 years	360,822	33	-	
2-3 years	-	-	-	
Over 3 years	-	-	-	
Total	1,082,466		-	

The total above should be equal to the Gratuity closing figures)

15. Fund Balance B/F

	2023-2024	2022-2023
	(1 st July 2023)	(1 st July 2022)
	Kshs	Kshs
Bank accounts	44,096,626	8,598,266
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	44,096,626	8,598,266

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (specify)	-	-	-
Total	-	-	-

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	2022-2023
	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 – Gratuities and Retentions

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1st July (A)	-	-
Gratuities and Retentions held during the year (B)	1,082,466	-
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	1,082,466	-
Net changes in accounts payables D-A	1,082,466	-

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2023-2024	2022-2023
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

Aging Analysis for Pending Accounts Payables

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.2: Pending Staff Payables (See Annex 2)

	2023-2024	2022-2023
	Kshs	Kshs
NGCDF Staff	1,082,466	-
Others (specify)	-	-
TOTAL	1,082,466	-

Aging Analysis for staff Payables

	2023-2024	% of the total	2022-2023	% of the total
Under one year	721,644	67	-	-
1-2 years	360,822	33	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	1,082,466	100	-	

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

19.3: Unutilized Fund (See Annex 3)

	2023-2024	2022-2023
	Kshs	Kshs
Compensation of employees	989,067	1,134,078
Committee expense	1,441,320	(1,334,500)
Use of goods and services	5,420,635	3,459,218
Amounts due to other Government entities	30,600,000	26,157,121
Amounts due to other grants and other transfers	21,890,462	33,172,254
Acquisition of assets	-	-
Other Payments (specify)	23,000,000	3,516,600
Funds pending approval	5,961	29,206,888
Total	83,347,445	95,311,659

19.4: PMC account balances (See Annex 5)

	2023-2024	2022-2023
	Kshs	Kshs
PMC account balances	71,698,939	2,843
Total	71,698,939	2,843

19.5 Related Party Transactions

	2023-2024	2022-2023
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,076,000	-
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	169,978,747	-
Total	171,054,747	-

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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.					
Sub-Total					
Construction of civil works					
3.					
4.					
5.					
Sub-Total					
Supply of goods					
6.					
7.					
Sub-Total					
Supply of services					
8.					
Sub-Total					
Grand Total					

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2024	Comments
NG-CDFC Staff				
1. Judy Manangoi	Secretary	01/01/2023	113,814	Gratuity commitment
2. Jackson Kintet Nkukuu	driver	01/01/2023	144,360	Gratuity commitment
3. Benson Sipitiek Kodonyo	Project Management Officer	01/01/2023	274,536	Gratuity commitment
4. Michael Saruni Salaton	ICT Officer	01/01/2023	172,314	Gratuity commitment
5. Caroline Mantaine Kopito	Records Officer	01/01/2023	84,132	Gratuity commitment
6. Salome Namunyak Lemaiyan	Office Assistant	01/01/2023	110,214	Gratuity commitment
7. Esther Kinta Surum	welfare Officer	01/01/2023	84,132	Gratuity commitment
8. Joseph Letowuon Shukuru	Security Officer	01/01/2023	98,964	Gratuity commitment
	Sub-Total		1,082,466	
	Grand Total		1,082,466	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance		Comments
		2023-2024	2022-2023	
1.0 Administration and Recurrent				
1.1 Compensation of employees		989,067	1,134,078	
1.2 Committee allowances		52,000	(1,576,000)	
1.3 Use of goods and services		1,698,761	2,228,487	
Subtotal		2,739,828	1,786,565	
2.0 Monitoring and evaluation				
2.1 Capacity building		1,864,063	-	
2.2 Committee allowances		1,380,000	(1,485,274)	
2.3 Use of goods and services		1,857,811	2,957,505	
Subtotal		5,101,874	1,472,231	
3.0 Amounts due to other Government entities				
3.1. Transfer to Primary Schools				
Ilkirimisho Primary School	Grants to PMC for infrastructure		1,300,000	
Olenkomeei Primary School	Grants to PMC for infrastructure		1,300,000	
Olosiro Primary School	Grants to PMC for infrastructure		1,000,000	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance		Comments
		2023-2024	2022-2023	
Nailogilog Primary School	Grants to PMC for infrastructure		1,300,000	
Osupuko Primary School	Grants to PMC for infrastructure		2,000,000	
Eor-esimu Primary School	Grants to PMC for infrastructure		1,000,000	
Ole Kuntere Primary School	Grants to PMC for infrastructure		2,300,000	
Ranke primary school	Grants to PMC for infrastructure		1,300,000	
Kikuyian Primary School	Grants to PMC for infrastructure		2,000,000	
DEB School	Grants to PMC for infrastructure		1,000,000	
Kikuyian Primary School	Construction of classrooms (Prev Balance)	600,000	-	
Kikuyian Primary School	Construction to completion of 3 No. Classrooms with floor tiles	4,500,000		
Kikuyian Primary School	Construction of two Number 2 roomed self-contained staff houses to completion	2,500,000		
Ntemel Primary School	Construction to completion of 2 No. Classrooms with floor tiles	3,000,000		
Subtotal		10,600,000	14,500,000	
3.2 Transfer to Secondary Schools				
Olamutiai Secondary School	Grants to PMC for infrastructure		6,450,000	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
Mosiro Secondary School	Grants to PMC for infrastructure		9,600,000	
Oletukat High School	Grants to PMC for infrastructure		3,496,000	
Olorien Boys' Secondary School	Grants to PMC for infrastructure		(8,600,000)	
Olesharo Girls Sec School	Grants to PMC for infrastructure		(7,788,879)	
Nturumeti secondary school	Grants to PMC for infrastructure		2,500,000	
Suswa girls	Grants to PMC for infrastructure		6,000,000	
St.Anthonys Girls Secondary School	Construction to completion of 96 students Capacity Dormitory	8,000,000		
Olorien Boys Secondary School	Completion of storey tuition block of 8 classrooms	12,000,000		
Subtotal		20,000,000	11,657,121	
4.0 Amounts due to other grants and other transfers				
4.1 Bursary to Secondary Schools	Bursary for the needy students	5,743,579	2,795,090	
4.2 Bursary to Tertiary Institutions	Bursary for the needy students	6,888,362	15,408,073	
4.3 Social Security	Bursary for the needy students	-	3,600,000	
4.4 Special Needs	Bursary for the needy students	-	800,000	

**National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024**

Name	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
4.5 Sports Projects	Sports tournament		2,751,646	
4.6 Environment Projects	Environmental activities	1,000,000	772,143	
4.7 Emergency	Funds for unforeseen circumstances	8,258,521	7,045,302	
Subtotal		21,890,462	33,172,254	
5.0 Acquisition of assets				
6.0 Oversight Committee Expenses(itemize)				
	Oversight Committee Expenses	9,320		
Subtotal		9,320		
7.0 Others (specify)				
	Strategic plan		3,516,600.00	
	Constituency strategic plan			
	Construction to completion of ICT Huduma Jitume centre	23,000,000		
Sub-Total		23,000,000	3,516,600	
8.0 Funds Pending Approval				
	Funds pending approval	5,961	29,206,888	
Sub-Total		5,961	29,206,888	

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Name	Brief Transaction Description	Outstanding Balance		Comments
		2023-2024	2022-2023	
Grand Total		83,347,445	95,311,659	

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) At Year End
Land	-	-	-	-
Buildings and structures	20,000,000	-	-	20,000,000
Transport equipment	6,200,000	-	-	6,200,000
Office equipment, furniture and fittings	3,500,002	-	-	3,500,002
ICT Equipment, Software and Other ICT Assets	143,000	-	-	143,000
Other Machinery and Equipment				
Intangible assets				
Total	29,843,002			29,843,002

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024
 Annex 5 –PMC Bank Balances as at 30th June 2024

No	PMC	Bank	Account number	Date Account opened	Bank Balance FY 2023/2024	Bank Balance FY 2022/2023
1	Enooseya Secondary School PMC	Equity Bank-Narok Branch	0360268368835	07/06/2016	8,000,765	
2	Nambao Primary School PMC	Equity Bank-Narok Branch	0360271472126	24-01-2017	3,003,620	
3	Olesharo Girls Sec School PMC	Equity Bank-Narok Branch	0360278752805	11/04/2019	200,623	623
4	Oloirein Boys Secondary School PMC	Equity Bank-Narok Branch	0360279605328	31-01-2020	30,671,946	
5	St Antonys Secondary School PMC	Equity Bank-Narok Branch	0360281425080	21-10-2021	251,010	
6	Mosiro Secondary School PMC	Equity Bank-Narok Branch	0360284631807	27-09-2023	8,335,950	
7	Olaimutiai Girls Sec School PMC	Equity Bank-Narok Branch	0360284799280	17-11-2023	25	
8	Dorobo Secondary School	Equity Bank-Narok Branch	0360285489453	27.06.2024	9,000,000	
9	Sekerot Primary School	Equity Bank-Narok Branch	0360285494404	28.06.2024	3,000,000	
10	Namelok Primary School	Equity Bank-Narok Branch	0360285494388	28.06.2024	3,000,000	
11	Ereteti Primary School	Equity Bank-Narok Branch	0360285489504	27.06.2024	1,000,000	
12	Ntulele Police Station	Equity Bank-Narok Branch	0360285489271	27.06.2024	235,000	
13	Sintakara Secondary School	Equity Bank-Narok Branch	0360285490131	27.06.2024	5,000,000	
14	Narok East NG CDF Office PMC	Equity Bank-Narok Branch	0360282809966	01.06.2020		720

National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

No	PMC	Bank	Account number	Date Account opened	Bank Balance FY 2023/2024	Bank Balance FY 2022/2023
15	Kikuyian Primary School	Equity Bank-Narok Branch	0360270835605	01.09.2018		500
16	Ranke Primary School	Equity Bank-Narok Branch	0360282057660	01.06.2020		1,000
	Total				71,698,939	2,843

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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)
OAG/NAROK EAST CDF/2022-2023	<p>1. Unsupported for Bursary Disbursements The statement of receipts and payments reflects other grants and transfers of Kshs. 12,002,132 and as disclosed in Note 8 to the financial statements which include bursary to secondary and Tertiary institution of Kshs. 3,657,960 and Kshs. 4,984,870 respectively. and as disclosed in note 8 to the financial statement. However, no acknowledgement letters from beneficiary institutions were provided for audit. detailed schedule indicating beneficiary name, admission number, name of institution, amount awarded and cheque number was not provided for audit.</p> <p>In the circumstances, the accuracy and completeness of bursary payments of Kshs.8,642,830 could not be confirmed.</p>	NG-CDFC engaged postal Corporation for distribution at the time of audit the acknowledgement letters had not been provided by them however they are now available for confirmation	Resolved	June 2024
	<p>2. Unsupported Project Management Committee Balances Note 18.4 to the financial statements reflects Project Management Committee account balances</p>	Certificate of balances was sought from the bank & is	Resolved	June 2024

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>of Kshs.2,843 as reflected in Annex 5. However, the cash book, bank statement and certificate of bank balances for individual PMC accounts were not provided for audit.</p> <p>In the circumstances, the accuracy and completeness of the project management committee bank balances of Kshs.2,843 could not be confirmed.</p>	available for confirmation		
	<p>3.Budgetary Control & Performance</p> <p>The summary statement of appropriation reflects a final receipts budget and actual on comparable basis of Kshs. 146,813,299 and Kshs.95,598,266 resulting to an under-funding of Kshs.51,215,033 or 35 % of the budget. However the fund spent a balance of Kshs. 51,501,640 against actual receipts of Kshs. 95,311,659 resulting to underutilization to under utilization of ksh 44,096,626 or 46 % of the actual receipts.</p> <p>The under funding and under utilization affected the planned activities and may have negatively impacted on service delivery to the public</p>	<p>The underfunding was as a result of late disbursement. The NG-CDF Board later disbursed the funds and projects have been implemented. The funding was received towards the close of the FY hence would not be spent. The funds have been spent in FY 2023/2024</p>	Resolved	June 2024

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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>4. Irregular engagement of constituency employees: employing more than 5 employees The statement of receipts and payments for the year ended 30 June 2023 reflects compensation in respect of 8 employees of Kshs.2,687,618. However, the National Government Constituencies Development Fund Board recommends a maximum of five (5) employees resulting to over employment of 3 officers. This was contrary to paragraph of 8 of NGCDF Board circular dated 24 September 2019 which requires the constituency committee to plan and budget for necessary number of employees based on clear organizational structure backed by job description for each employees as approved by the committee.</p>	<p>The CDF act 2013 provided for maximum of 5 employees then but was later repealed by NG-CDF 2015 amended 2022 which removed the capping of employees to be engaged by NG-CDFC. Therefore, this is not a breach of law</p>	Resolved	April 2024
	<p>5. Failure to Report emergency expenditure The statement of receipts and payments reflects other grants and transfers of Kshs. 12,002,132 which includes emergency projects expenditure of Kshs.3,359,302 that was not reported to the Board. This was contrary to Regulation 20(2) of the National Government Constituencies Development Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the</p>	<p>The Management has taken into account this observation for future implementations</p>	Not resolved	June 2025

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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)
	occurrence of the emergency, in the format prescribed by the Board. In the circumstance, Management was in breach of the law.			
	6.Lack of substantive constituency Development Fund committee Gazette Notice dated 29 th May 2020 indicated that the two years' term for the CDFC members effective from 14 th April 2020 and ending 14 th May 2022. However, there was no evidence provided for audit review to show that their term had been renewed or new members appointed. This contrary to section 43(4) of the National Constituencies Development Fund Act, Revised 2023 that provides that the names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board. In the circumstance, Management was in breach of the law.	The NG-CDFC were appointed on 14 th April 2023 through gazette notice no. Vol. CXXV—No. 86 and this was also provided as a response to draft report	Resolved	April 2023
	7.Project implementation status: Incomplete dining hall at olesharo Girls Sec School The Construction of 100 capacity dining hall at Olesharo Girls Secondary School was at a cost of	The Management is following up with the contractor to	Not resolved	December 2024

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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>ksh 8,000,000. Physical inspection in the month of March, 2024 revealed that the project was incomplete but the and the contractor was not on site. Pending works included floor finishing with polished terrazzo, external and internal finishes, painting and decorations, plumbing works in the kitchen, construction of septic tank, fittings and fixtures and electrical works. Socket outlets are 4 instead of 27(BQ) Water sinks 21 instead of 3 as stated in Bill of Quantities, Water sinks were 21 instead of 31 while water storage tank was 1 with capacity of 1,000ltrs instead of 2 tanks with capacity of 1,800 ltrs each as stated in the Bill of Quantities. In the circumstance, value for money for the above project amounting to ksh 8,000,000 could not be confirmed</p>	complete the works		
	<p>8.Project implementation status: Unsupported variation of completion of dining hall at Olorien Boys Sec School The project for completion of dining hall with kitchen at Olorien Boys Secondary School received funds totalling kshs 7,472,000.00 in the current year and Kshs 7,500,000 in the previous year 2021/22. However, the procurement documents in support of the disbursements including Bill of Quantities (BQ) show the total</p>	The project was undertaken in two phases hence the ksh 7,500,000 and ksh 7,472,000. The later was for completion works. The project is now	Resolved	June 2024

*National Government Constituencies Development Fund (NGCDF)
Narok East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

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>project cost as kshs 7,472,000 and not ksh 14,972,000 resulting to an unexplained variation of ksh 7,500,000.</p> <p>Physical inspection of the project in the month of March 2024 revealed that the kitchen and store was incomplete, Further there was a variation in the roofing material where metal was used instead of timber frames, however approval for the variation was not provided.</p> <p>Further, the tiles in the kitchen had not been fixed while plumbing works and septic tank had not been done.</p>	complete		

Name: Dennis Matundura
Fund Account Manager.

