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OF

THE AUDITOR-GENERAL

ON

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

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



ALDAI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	2
II. NG-CDFC CHAIRMAN'S REPORT.....	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	10
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	13
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	21
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE <i>NGCDF- ALDAI CONSTITUENCY</i>	22
VII. STATEMENT OF RECEIPTS AND PAYMENTS.....	23
VIII. STATEMENT OF ASSETS AND LIABILITIES	24
IX. SUMMARY STATEMENT OF APPROPRIATION.....	27
X BUDGET EXECUTION BY SECTORS AND PROJECTS.....	29
XI SIGNIFICANT ACCOUNTING POLICIES.....	37
XII. NOTES TO THE FINANCIAL STATEMENTS.....	40

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Michael Onyango
2.	Sub-County Accountant	Regina Ngetich
3.	Chairman NGCDFC	Vincent Kogo
4.	Secretary NGCDFC	Rose Mutai

(d) Fiduciary Oversight Arrangements

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

(e) Aldai Constituency NGCDF Headquarters

P.O. Box 173-30305
NG-CDF Building
Kaptumo-Kobujoi Road
Kobujoi, KENYA

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

(f) Aldai Constituency NGCDF Contacts

Telephone: (254) 0707620204
E-mail: cdfaldai@ngcdf.go.ke

(g) Aldai Constituency NGCDF Bankers

Kenya Commercial Bank
Branch: Nandi Hills

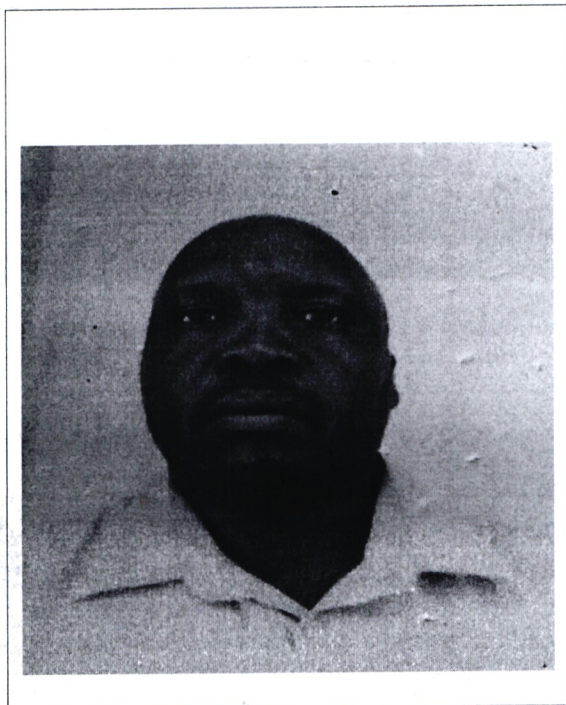
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



The NG-CDF Aldai has made considerable achievements towards implementation of projects for the financial year ended 30th June 2021. The constituency received a total of kshs 172,267,724.10 from The NGCDFB and had a bank balance brought forward of Kshs 13,595,689.55. The constituency was able to disburse kshs. 177, 585,146.87 to projects, bursaries and office operations hence leaving a balance carry forward of Kshs. 8, 278,266.78

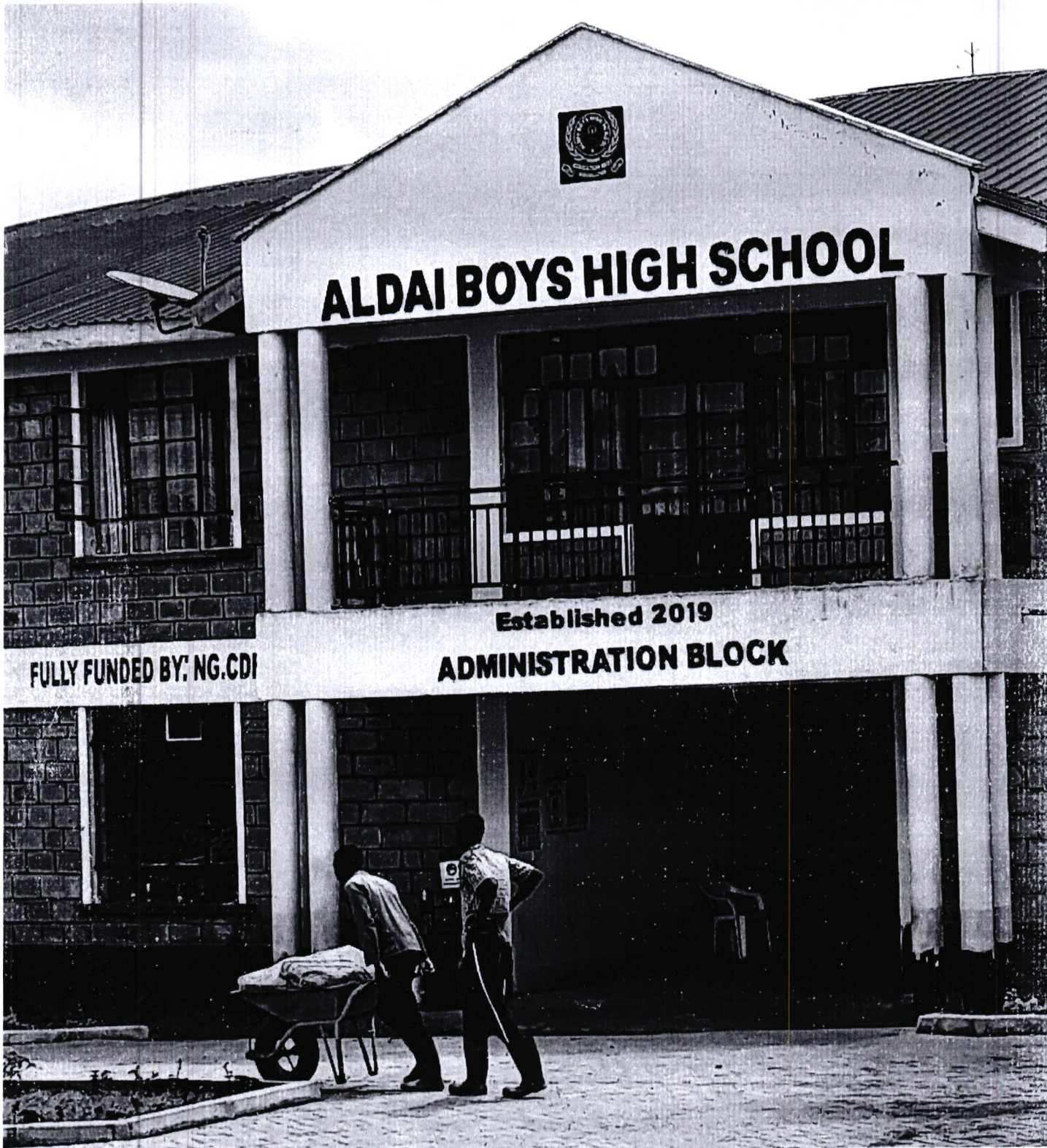
The total budget allocated to the constituency was kshs 137,088,879.00 of which we received Kshs. 102, 900,000.00 within the financial year hence a balance of kshs. 34, 188,879 outstanding from the board.

The NGCDFC under my leadership was able to channel funds towards the construction of various laboratories to facilitate secondary schools carry out practical's during their end year examinations. Aldai constituency has been able to fund construction of Aldai high school which has admitted over five hundred students as at the end of the financial year 2020/2021.

The committee experienced notable challenges including delay in release of funds from NGCDFB, the covid 19 pandemic which adversely affected monitoring of projects and capacity building of the various stake holder. We also faced the problem of shortage of technical staff who are supposed to help in implementation of projects.

Aldai NG CDF is engaging the relevant national government department to deploy competent technical personnel to help with the project implementation.

Key achievements for the financial year 2020 2021



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

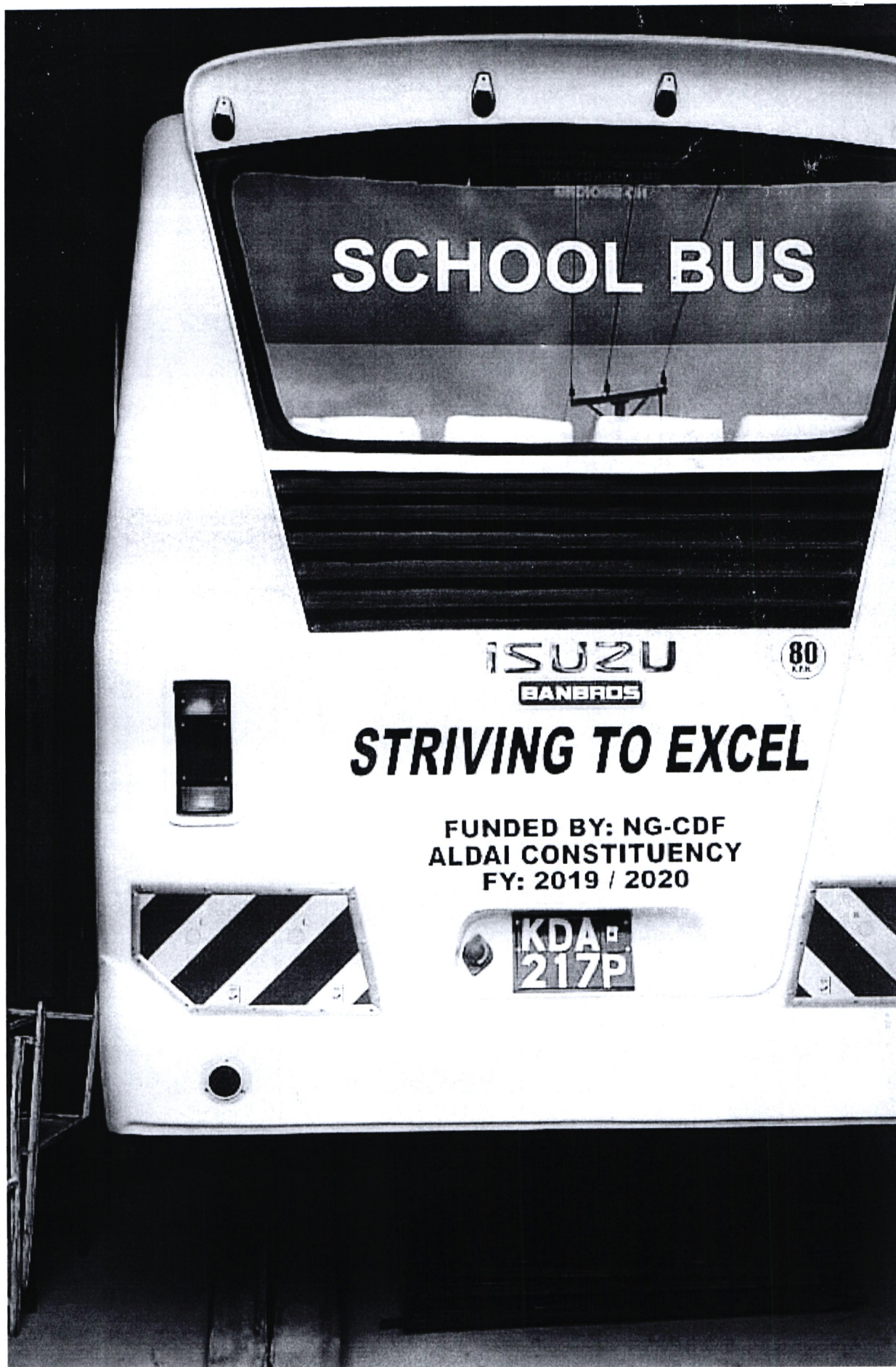


*National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*



Vincent Cheruiyot Kogo

CHAIRMAN NGCDF COMMITTEE



III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

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.

ALDAI is a constituency whose latent for growth is promising. The constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2017-2022) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NGCDF-ALDAI Constituency's 2017-2022 plan are to:

In underscoring the above, the key development objectives of NGCDF-ALDAI Constituency's 2017-2022 plan included but not limited to;

Improving access to quality education by rehabilitation/renovation/construction of classrooms, sanitary facilities, laboratories, library and boarding facilities, computer labs/classes in schools in the constituency; provision of laboratory equipment and ICT facilities to schools; provision of bursary to needy and bright students at all levels of learning; and connection of all schools to the national grid;

1. Improving infrastructure within the constituency by upgrading of National Government Roads, mostly under KeRRA to make them passable;
2. Harnessing youth talent by funding of youth sporting initiatives, conducting campaigns on drugs and substance abuse and on HIV and AIDS, creating awareness on the establishment of youth groups, creating awareness among the youth on seeking development fund loans, and promoting youth talent;
3. Promoting environment in the constituency by organizing tree planting days. In the In the NGCDF Act 2015, environmental activities may be considered as development projects, provided the allocation to such activities does not exceed two percent (2%) of the total allocation of the constituency in any financial year.
4. Catering for any unforeseen occurrences in the constituency
 - a) Enhancing security in the constituency by constructing offices, Police stations, and Police housing units, installation of flood lights, among other initiatives;
 - b) Improving the tracking of implementation CDF programmes. In the NGCDF Act 2015, monitoring and evaluation of ongoing, projects and capacity building of various

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

operatives has been considered as a development project provided that not more than three percent (3%) is allocated for this purpose; and

- c) Promoting performance management and smooth running of the CDF office.

Progress on attainment of Strategic development objectives

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

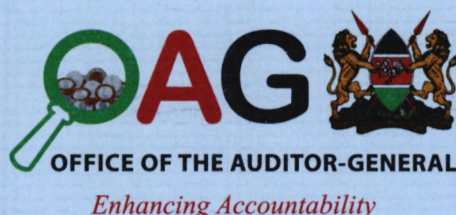
Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide Conducive Learning environment for Children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions	Number of classrooms increased by 34 Number of laboratories increased By 5 in 5 Different secondary schools
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Drill boreholes to promote access to clean and safe Water Equip schools and public facilities with Sanitation	Number of boreholes drilled Number of sanitation facilities built in primary and secondary Number of trees	Number of boreholes increased by 2 6 Door toilet builds, 25 units 10,000 Litre water tanks installed

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

Constituency Program	Objective	Outcome	Indicator	Performance
		Facilities Provide tree seedlings to schools to improve the forest cover	planted	Number of trees planted increased By 5600
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and Enhance Provincial administration and other security organs infrastructure to enhance service Delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Divisional Modern police Station constructed Modern police post constructed
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through Sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports (19 soccer teams)

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund - Aldai Constituency set out on pages 18 to 58, which of comprise the statement of financial position as at 30 June, 2021, and the statement of

financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Aldai Constituency as at 30 June 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Financial Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies in the Financial Statements

1.1 Variance between the Financial Statements and Trial Balance

Comparison between the financial statements and the trail balance provided for audit revealed an unreconciled and an unexplained variances in seven (7) as detailed below:

Description	Financial Statement Amounts (Kshs.)	Trial Balance Amounts (Kshs.)	Variance (Kshs.)
Compensation of Employees	3,365,316	1,792,442	1,572,874
Use of goods and services	11,268,373	6,053,364	5,215,009
Transfers to Other Government Units	112,203,584	84,798,938	27,404,646
Other grants and transfers	38,189,760	17,969,449	20,220,311
Acquisition of Assets	0	7,019,257	(7,019,257)
Transfers from the Board	172,267,724	129,040,876	43,226,848
Others receipts	0	21,000	(21,000)

1.2 Inaccuracies in Budget Execution by Sectors and Programs

The totals reflected in the budget execution by sectors and projects schedule included in page 26 of the financial statements does not agree with the re-casted amounts as detailed below:

	Opening Balance/ Cash Book (Kshs.)	Previous Years Outstanding Disbursements (Kshs.)	Final Budget (Kshs.)	Actual on Comparable Basis (Kshs.)	Budget Utilization Difference (Kshs.)
Total Amounts as per Budget Execution by Programme	13,595,690	69,367,724	220,052,293	177,585,147	42,467,146
Re-Casted Total Amounts	12,593,590	67,668,735	205,653,301	165,106,158	37,367,345
Variance	1,002,100	1,698,989	14,398,992	12,478,989	5,099,801

In the circumstances, the accuracy and completeness of the financial statement balances could not be confirmed.

2.0 Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10 A to the financial statement reflects bank balances of Kshs.8,278,266. However, included in the bank reconciliation statement is a stale cheque payable to Kipsoriori primary school that had not been released to the institution due to dispute in the land intended to be purchased and had not been written back to the cash book. Further, the reconciliation reflects receipts in cash book not in bank statement totalling to Kshs.34,000 described as A-In-A which dates back to year 2019 and a other deposit of Kshs.8,000 paid on 26.08.2020 described as erroneous credit. Management did not explain why the deposits had not been recorded in the cash book and why the erroneous credit had not been reversed.

In addition, the bank reconciliation indicated payments in bank statement not yet recorded in cash book totalling to Kshs.11,579 mainly bank charges. It is not clear why the bank charges had not been posted to the cash book and cash and cash equivalents balances adjusted.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.8,278,266 could not be confirmed.

3.0 Unsupported Project Management Committee Bank Account Balances

Note 17.4 and Annex 5 to the financial statements reflect Project Management Committee (PMC) bank balances for thirteen (13) projects totalling to Kshs.9,850,111. However, cash books, closing bank balance certificates, bank statements and bank reconciliation statements for the various PMC accounts were not provided for audit.

In the circumstances, the existence, accuracy and completeness of the Project Management Committee bank balances of Kshs.9,850,111 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 - Aldai Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation reflects the budgeted receipts of Kshs.220,052,293 and actual receipts of Kshs.185,863,414 resulting to under disbursements of Kshs.34,188,879 (or 15%) of the approved budget. Similarly, the fund utilised an amount of Kshs.177,585,147 out of the available receipts of Kshs.185,863,414 resulting in under absorption of Kshs.8,278,267 of the approved budget.

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

2.0 Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury and Planning Circular Reference No. AG.4/16/2 Vol.3(72) dated 30 June, 2021.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Projects

1.1 Projects Implementation Status

Review of the Project Implementation Status (PIS) report provided revealed that the Fund had an approved budget of Kshs.149,913,128 to be spent on ninety-two (92) projects out of which an amount of Kshs.110,503,584 was disbursed to sixty-six (66) projects in Primary schools, Secondary Schools, Tertiary Institutions and NGCDF office. Twenty-six (26) projects with a total budget of Kshs.39,409,544 were not funded during the year and a number of projects were ongoing at different stages of completion. No satisfactory explanation was provided for failure to implement all the planned projects.

In addition, during the year under review, twenty (20) projects with total disbursements of Kshs.54,688,241 were inspected out of which five (5) projects with disbursements amounting to Kshs.12,980,000 were found to be complete and in use. However, the inspection revealed that fifteen (15 project) with total disbursements of Kshs.42,708,000 had not been completed and a number of anomalies were identified as detailed in **Appendix I** attached.

In the circumstances, the Fund did not obtain value for money from the incomplete projects.

1.2 Irregular Purchase of Land for Kamarich Secondary School.

The statement of receipts and other payments and as disclosed in Note 6 reflects transfers to other government entities of Kshs.95,603,584. The transfer includes amounts transferred to secondary schools' totalling Kshs.60,354,595. Included in the transfers to secondary schools was a payment of Kshs.8,000,000 made to the PMC Account of Kamarich primary school towards purchase of land measuring 3.7 acres for construction of Kamarich Secondary School.

Examination of documents in support of the payments and physical inspection of the project revealed that the land had been purchased but there was no consent of sale from the three (3) parties who owned the land and the sale agreement and title deed were not provided for audit. In addition, there was no tender advertisement for the acquisition of land which was bought at a valuation cost of Kshs.9,300,000 as per the valuation report done by the National Government Valuers from Kisumu. As at the time of audit in May, 2022, the project had received an allocation of Kshs.8,000,000 out of which Kshs.6,700,000 was for construction of 4 classrooms and Kshs.1,300,000 for purchase of additional land. However, the construction of the secondary school was being done at Kamarich primary school land which is a different site from the land purchased for the project. No approval from the CDF Board was provided authorizing the change of project location and title deed for the purchased land in the name of the secondary school was not provided.

In the circumstances, the Fund may not have received value for money from the irregular procurement of land at uncompetitive price in an un-approved location without ownership document.

1.2 Anomalies in the Construction of Classrooms at Kesengei Technical Training Institute

The statements of receipts and payments and as disclosed in Note 6 to the financial statements reflects transfers to other Government entities amount of Kshs.95,603,584 which includes transfers to tertiary institutions of Kshs.5,398,241. Included in the transfers, is a payment of Kshs.3,600,000 made to Kesengei Technical Training Institute Project management Committee (PMC) account through payment voucher no. 641 of 20 July, 2020 and a subsequent payment of Kshs.3,582,770 to a Company. The scope of the works included the construction of 2.no classrooms at Kshs.2,000,000, ablution block (6no. door toilet) at Kshs.600,000 and a bio digester at Kshs.1,000,000.

Review of the winning bid document indicate there were completion certificates to proof of similar works and their value undertaken in the last three years and evidence of access to credit lines from financial institutions and availability of other financial resources were not attached as required by the invitation to tender. Physical Inspection of the project on 9 May, 2022 revealed that, the bio digester of Kshs1,000,000 had not been constructed, general workmanship was poor, the structure in place was not branded as a CDF project for the year 2020-2021, six(6) door flush toilets constructed valued at Kshs.600,000 had no doors and no gutters were provided for in the bills of quantities, electrical works had not been completed and the project had not been used.

In the circumstances, value for money may not have been realized from the incomplete project and The Fund is likely to lose funds paid for works not rendered.

1.3 Anomalies in the Construction of OCPD Block at Kobujoi Police Station

The statement of receipts and payments and as disclosed in Note7 to the financial statements reflects other grants and transfers expenditure of Kshs.66,896,073 for the year ended 30 June, 2021 which includes security projects amount of Kshs.14,900,000 as disclosed in Note 7 of the financial statements. Included in the security expenditure is an amount of Kshs.13,500,000 disbursed to a project management committee (Nandi South Police Headquarters) in four (4) tranches towards the construction of OCPD block at Nandi South sub-county Headquarters (Kobujoi Police Station).

The tender for construction of OCPD block at Kobujoi police station through tender No.OCPD/NG-CDF/PROJ/1/2020 was advertised in August, 2020, tender documents were opened on 3 August, 2020 , evaluation was conducted on 13 August, 2020 and through an unreferenced letter of notification of award dated 25 August, 2020 at a contract sum of Kshs.13,439,520 issued to a company with the resulting contract signed on 8 September, 2020.

Review of the procurement records and contracts for the works revealed that, there was no evidence that the Accounting Officer appointed the Tender Opening Committee and Evaluation Committees as required by Section 78(1) and Section 80(1) of Public Procurement and Assets Disposal Act, 2015. The tender opening minutes and evaluation reports were not signed by all members as required by Section 78(11) and Section 80(7) of the Act and all the Tender Opening Committee Members were involved in evaluation process contrary to Section 78(1)(b) of the Act. The company attached an NCA 6 certificate for building works contractor Reg.no.6335/B/0214 and serial no.220587, however, a verification from the NCA records revealed that the firm is not registered under any category of works.

The Project Management Committee notified the five (5) unsuccessful tender in writing on 25 August, 2020 as required by the Act. However, Management did not indicate the unsuccessful tender and reasons thereof as required by Section 87(3) of Public Procurement and Assets Disposal Act, 2015. The contract did not include a clause indicating the expected start date and the period to complete the works contrary to Section 129(2) of the Act. In addition, a signed professional opinion, performance bond guarantee, certified payment certificates, bank statements receipts, cash books and progress reports from project management committee was not provided for audit. Physical Inspection of the project in May, 2022 revealed that the project was at 90% completion level. However, the roof was found to be leaking and the floor was made of terrazzo instead of tiles as indicated in the bill of quantities thus no reason or justification was provided for deviation from the terms and condition stated in the signed contract neither were any signed site instructions to the contractor provided.

In the circumstances, the Fund is likely to lose funds though irregular award of contract and value for money may not be realized from the project.

2.2 Irregularities in Procurement of Sports Items

The statement of receipts and other payments and as disclosed in Note 7 of the financial statements reflects other grants and transfers figure of Kshs.66,896,073 which includes sports projects amount of Kshs.3,710,863. Included in this expenditure were two payments to a firm for supply of sports kits and soccer balls of Kshs.2,241,693 and Kshs.300,000 totalling to Kshs.2,541,693.

Review of the tender document for the winning company revealed that the certificate of incorporation, KRA Pin certificate, KRA Tax compliance certificate, CR12 AGPO Certificate, Business permit and bank statement were not attached as required by the invitation to tender. Further, the bid documents for pre-qualification of bidder were not provided for audit.

In addition, supporting evidence that the assorted sports kits were delivered to beneficiaries such as the delivery notes, goods received note/receipt voucher(S13), stores records for distribution/ distribution list were not provided for audit review.

In the circumstances, the value for money from the expenditure of Kshs.2,541,693 procurement of sports kits and payment could not be confirmed.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 September, 2022

Appendix I: Projects Inspection

S/NO.	Project Name	Project Activity	Amount Disbursed (Kshs.)	Remarks
1.	ST. Peters Chepkonga Primary School	Slabbing of first floor and walling	1,150,000	Initial contractor was changed due to poor workmanship, no retention fee was deducted from initial contract sum. No performance Bond was paid by earlier contractor. Second contractor continued to build on earlier poor foundation.
2.	Samoget Primary School	Construction of 4 classrooms	2,700,000	Walls, fittings, roof and painting done. Floor was poorly done and is already peeling off. Retention fee was not deducted from contract sum
3.	Ibeng Primary School	Construction of administration block	1,000,000	Floor, walls, fittings, plastering, roof and painting done but the works are of poor quality. Visible cracks on walls and floor. Windows not fitted with stoppers, and Doors poorly done with locks already coming out. Retention fee was not deducted from contract sum.
4.	Kongoro Primary School School	Construction of 1 classroom	800,000	Project still ongoing. Walls, floor, plastering done. Electrical works yet to be done. Class not in use yet
5.	Simotwo Primary School	Construction of 3 classrooms	1,600,000	Walling, floor, plastering and roofing done. Poor workmanship as wall has cracks, poor plastering. Cracks on floor. Retention money was not deducted from contact sum
6.	Kapkorio Primary School	Purchase of 0.7 acres of land	800,000	Land was purchased on a different location from the school. No value is derived from the land by the school.
7.	Siksik Secondary	Purchase of land (1.6 Ha)	2,600,000	The land has been purchased but title deed has not been transferred
8.	Aldai Boys High School	Completion of dormitory	5,000,000	The contractor is not on site, kitchen incomplete, path to kitchen incomplete and roofing is incomplete. Contractor is not on site and the entire contract sum has been paid. The project has stalled.
9.	Koibarak High School	Construction of laboratory	4,300,000	Project signpost not erected worth Kshs.50,000, Contingencies of Kshs.200,000 has not been accounted for, veranda floor already peeling off, external wall has cracks, water gutters poorly fixed and the ceiling has leaks.

S/NO.	Project Name	Project Activity	Amount Disbursed (Kshs.)	Remarks
10.	Boi Primary School	Purchase, transportation and installation of 10,000 litres water	180,000	The tank was delivered but was erected at the church land.
11.	Simotwo Primary School	Purchase, transportation and installation of 10,000 litres water	180,000	The tank was delivered but the base was poorly done and cannot sustain the tank weight.
12.	Kesengei TTI	Construction of 2 lecture halls to completion, flush toilets to completion and biodigester	3,600,000	The structure in place is not branded hence doubt if it's a CDF project. The biodigester of Kshs. 1,000,000 is not installed. The flush toilets worth Kshs.600,000 have no doors. Electrical works not done
13.	Kesengei TTI	Completion of 4 classrooms	1,498,241	The BQs for the completion of work was not provided The structure in place is not branded The veranda has no reinforcements. There is no guttering Electrical works yet to be completed.
14.	Nandi South Police Hqs	Construction of OCPD block Nandi South Hqs	9,300,000	An amount of Kshs.100,000 was paid for security, contingences of Kshs.850,000 totalling to Kshs.950,000 which was not proper or adequate supported with relevant documents, Further, the roof is leaking and also the floor is made of terrazzo instead of tiles as indicated in the bill of quantities
15.	Kamarich Secondary	Purchase of land(3.7acres)	8,000,000	The land was purchased, no sale agreement, title deed and it is not being utilised for the purpose it was approved for.
	Total		42,708,241	

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Aldai NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- Aldai NG CDF sponsored the planting of more than 5600 seedlings and also installed 25 water tanks (capacity 10,000 litres) during the financial year

3. Employee welfare

We invest in providing the best working environment for our employees. Aldai 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. Aldai 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-

Aldai NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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.

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Aldai 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, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the 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-Aldai 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Aldai Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

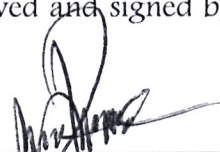
The Accounting Officer in charge of the NGCDF Aldai Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the 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- Aldai Constituency financial statements were approved and signed by the Accounting Officer on June 28, 2022



Chairman NGCDF Committee
Name: Vincent Kogo



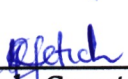
Fund Account Manager
Name: Peter kibisu Agoi

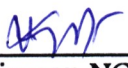
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	172,267,724	129,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	21,000
TOTAL RECEIPTS		172,267,724	129,061,876
PAYMENTS			
Compensation of employees	4	3,416,356	1,792,442
Use of goods and services	5	11,669,134	6,053,364
Transfers to Other Government Units	6	95,603,584	84,798,938
Other grants and transfers	7	66,896,073	17,969,449
Acquisition of Assets	8	-	7,019,257
TOTAL PAYMENTS		177,585,146.87	117,633,449
SURPLUS/(DEFICIT)		(5,317,422.87)	11,428,426

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Aldai Constituency financial statements were approved on June 28, 2022 and signed by:



Fund Account Manager
Name: Peter Kibisu Agoi


**National Sub-County
Accountant**
**Name: Regina Ngetich
ICPAK M/No:17835**


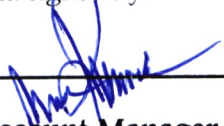
**Chairman NG-CDF
Committee**
Name: Vincent Kogo

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


VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	8,278,266.78	13,595,690
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		8,3278266.78	13,595,690
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		8,278,266.78	13,595,690
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		8,278,266.78	13,595,690
REPRESENTED BY			
Fund balance b/fwd	13	13,595,690	2,167,264
Prior year adjustments	14	-	-
Surplus/Deficit for the year		(5,317,423.22)	11,428,426
NET FINANCIAL POSITION		8,278,266.78	13,595,690

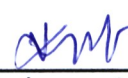
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Fund Account Manager

Name: Peter Kibisu Agoi


National Sub-County Accountant

Name: Regina Ngetich
ICPAK M/No:17835


Chairman NG-CDF Committee

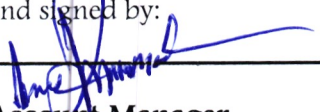
Name: Vincent Kogo

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

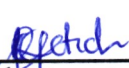
STATEMENT OF CASHFLOW

		2020 – 2021	2019 – 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	172,267,724	129,040,876
Other Receipts	3	-	21,000
Total receipts		172,267,724	129,061,876
Payments for operating activities			
Compensation of Employees	4	3,416,356	1,792,442
Use of goods and services	5	11,669,134	6,053,364
Transfers to Other Government Units	6	95,603,584	84,798,938
Other grants and transfers	7	66,896,073	17,969,449
Acquisition of assets	8	-	-
Total payments		177,585,147	117,633,449
Total Receipts Less Total Payments			
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		(5,317,422.87)	11,428,426.0
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	7,019,257
Net cash flows from Investing Activities		-	(7,019,257)
NET INCREASE IN CASH AND CASH EQUIVALENT		(5,317,422.87)	11,428,426
Cash and cash equivalent at BEGINNING of the year	10	13,595,690.00	2,167,264
Cash and cash equivalent at END of the year		8,278,266.78	13,595,690

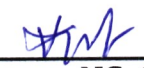
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Aldai Constituency financial statements were approved on June 28, 2022 and signed by:


Fund Account Manager

Name: Peter Kibisu Agoi


National Sub-County
Accountant

Name: Regina Ngetich
ICPAK M/No:17835

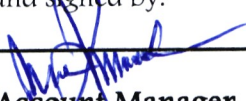

Chairman NG-CDF
Committee

Name: Vincent Kogo


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

TRIAL BALANCE AS AT 30TH JUNE 2021			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	8,278,267	
	Cash Balances		
	Outstanding Imprest		
Payments			
	Compensation of Employees	3,416,356	
	Use of goods and services	11,669,134	
	Transfers to Other Government Units	95,603,584	
	Other grants and transfers	66,896,073	
	Acquisition of Assets	-	
	Other Payments	-	
Receipts			
	Transfers from the Board		172,267,724
	Prior Year Adjustment		
	Fund Balance b/f		13,595,690
	TOTAL	185,863,414	185,863,414


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Aldai Constituency financial statements were approved on June 28, 2022 and signed by:


Fund Account Manager

Name: Peter Kibisu Agoi


National Sub-County Accountant

Name: Regina Ngetich
ICPAK M/No:17835


Chairman NG-CDF Committee

Name: Vincent Kogo

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

Under utilisation is due delay of the board in disbursement of funds since some funds were received towards the end of the financial year hence our inability to utilize the same.

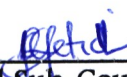
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget fulfillment difference totals	42,467,146
Less undisbursed funds receivable from the Board as at 30 th June 2021	(34,188,879)
	8,278,267
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	8,278,267

The NGCDF-Aldai Constituency financial statements were approved on June 28, 2022 and signed by:




Fund Account Manager

Name: Peter Kibisu Agoi



National Sub-County
Accountant

Name: Regina Ngetich
ICPAK M/No:17835



Chairman NG-CDF
Committee

Name: Vincent Kogo

2019) BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization Difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,700,000	834,250	1,411,378	4,321,852	3,416,356	905,496
1.2 Committee allowances	1,648,000	0	1,277,212	2,925,212	2,722,025	203,187
1.3 Use of goods and services	3,011,165	0	2,500,000	5,511,165	2,712,367	2,798,798
2.0 Monitoring and evaluation						
2.1 Capacity building	1,500,000	0	198,241	1,500,000	1,500,000	0
2.2 Committee allowances	1,621,032	506,719	0	1,751,526	3,570,400	(1,818,874)
2.3 Use of goods and services	992,265	0	0	992,263	1,164,342	(172,077)
3.0 Emergency						
3.1 Primary Schools	7,192,206	400,000	0	7,592,206	3,400,000	4,192,206
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
4.0 Bursary and Social Security						
4.1 Primary Schools	13,152,470	61,000	0	13,213,470	14,469,000	(1,435,530)
4.2 Secondary Schools	18,720,000	0	0	18,720,000	21,356,660	(2,636,660)
4.3 Tertiary Institutions						
4.4 Universities						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.5 Social Security	2,400,000	0	0	2,400,000	2,304,000	96,000
5.0 Sports						
5.1	2,742,198	1,333,100	0	3,075,297	3,710,863	(635,366)
5.2						
5.3						
6.0 Environment						
6.1	2,700,000	1,560,621	3,875,550	8,136,171	6,575,550	1,560,621
6.2						
6.3						
7.0 Primary Schools Projects (List all the Projects)						
Kisorngot primary school	800,000	2,600,000	0	3,400,000	0	3,400,000
Kamotony Primary school	800,000			800,000	800,000	
Koimet primary school	800,000			800,000		
Kapsoiyo primary school	800,000			800,000	800,000	
Murguywo primary school	800,000		800,000	800,000		
Atebwo primary school	300,000			300,000		
Chebui primary school	800,000			800,000		
Kiplengwai primary school	800,000			800,000		
Simotwo primary school	2,400,000		0	2,400,000	1,600,000	800,000

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Boi primary school	1,600,000			1,600,000	1,000,000	600,000
Kiptaruswo primary school	800,000			800,000		800,000
Morongiot primary school	800,000			800,000		800,000
Kapyanga primary school	800,000			800,000		800,000
Kaptilol primary school	800,000			800,000	800,000	-
Pemja primary school	800,000			800,000	800,000	-
Tirikwo primary school	800,000			800,000	800,000	-
Iberg primary school	1,000,000	1,000,000		1,000,000	1,000,000	-
Mogywo primary school	1,200,000			1,200,000	1,200,000	-
Chebirir primary school	800,000			800,000		800,000
Serem primary school	600,000			600,000		600,000
Mugang primary school	800,000			800,000	800,000	-
Kamalaibei primary school	800,000			800,000		800,000
Lebelen primary school	800,000			800,000	800,000	-
Chepsioch primary school	800,000			800,000	800,000	-
Kereri primary school	800,000			800,000	800,000	-
Musasa primary school	800,000			800,000		800,000
Legemet primary school	800,000			800,000		800,000

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kapkitany primary school	800,000			800,000		800,000
Koitaabut primary school	400000			400000		400000
Nyinyra primary school	1000,000	1,000,000		1000,000		1000,000
Chemobo primary school	800,000			800,000		800,000
Nderio primary school	800,000			800,000		800,000
Kesengei primary school	800,000			800,000		800,000
Kapsengere primary school	600,000			600,000		600,000
Chepsis primary school	500,000			500,000		500,000
Korongoi primary school	400,000			400,000		400,000
Kaptendon primary school	800,000			800,000		800,000
Mosombor primary school						
KIPCHORWA PRIMARY SCHOOL			800,000	800,000	800,000	
CHEBUI PRIMARY SCHOOL			300,000	300,000	300,000	
ACK ST PETERS CHEPKONGONY PRY SCHOOL			1,150,000	1,150,000	1,150,000	
ACK KAPTEBENGON PRIMARY SCHOOL			800,000	800,000	800,000	
CHEBUGUNDI PRIMARY SCHOOL			400,000	400,000	400,000	
KAPCHEBUCHEK PRIMARY SCHOOL			800,000	800,000	800,000	
KAPCHEMOSIN PRIMARY SCHOOL			800,000	800,000	800,000	
			300,000	300,000	300,000	

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
KAPKERER PRIMARY SCHOOL			300,748	300,747,59	300,747,59	
KAPKO PRIMARY SCHOOL			400,000	400,000	400,000	
KAPKOLEI PRIMARY SCHOOL			800,000	800,000	800,000	
KAPKORIO PRIMARY SCHOOL			400,000	400,000	400,000	
KAPSENGERE PRIMARY SCHOOL			400,000	400,000	400,000	
KAPTUMO PRIMARY SCHOOL			800,000	800,000	800,000	
KIBOBOI PRIMARY SCHOOL			800,000	800,000	800,000	
KIPSIORORI PRIMARY SCHOOL			600,000	600,000	600,000	
KITAOR PRIMARY SCHOOL			400,000	400,000	400,000	
KOBUJOI PRIMARY SCHOOL			500,000	500,000	500,000	
ORIOK PRIMARY SCHOOL			800,000	800,000	800,000	
SAMOGET PRIMARY SCHOOL			800,000	800,000	800,000	
KAMAGAP PRIMARY SCHOOL			3,600,000	3,600,000	3,600,000	
SAMOGET PRIMARY SCHOOL			2,700,000	2,700,000	2,700,000	
8.0 Secondary Schools Projects (List all the Projects)						
Mosombor secondary school	800,000		1,000,000	1,800,000	1,800,000	
Aldai girls secondary school	5,000,000		4,000,000	9,000,000	4,000,000	5,000,000
Ibanja secondary school	800,000					
Ndurio secondary school	1,500,000					

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kapsaos secondary school	4,300,000					
Koyo secondary school	300,000					
Aldai Boys secondary school	4,000,000		5,000,000	9,000,000	5,000,000	4,000,000
Kapkenduywo secondary school	1,000,000			1,000,000	1,000,000	
St. Anne Kapkemich Girls secondary school	6,500,000			6,500,000	6,500,000	
St. Mary's Kapchemwon secondary school	800,000			800,000	800,000	
Kamarich secondary school	8,000,000			8,000,000	8,000,000	
Siksik secondary school	2,600,000			2,600,000	2,600,000	
SDA Samitui secondary school			600,000	600,000	600,000	
AIC Kipnyolei secondary school			800,000	800,000	800,000	
Bonjoge boys secondary school			900,000	900,000	900,000	
Chebara secondary school			600,000	600,000	600,000	
FR Mair Girls secondary school			800,000	800,000	800,000	
Kapsamoch secondary school			800,000	800,000	800,000	
Kesogon secondary school			300,000	300,000	300,000	
Kimolwo secondary school			500,000	500,000	500,000	
Kamimei secondary school			6,000,000	6,000,000	6,000,000	
Maraba secondary school			1,454,595	1,454,595	1,454,595	
Koibarak secondary school			4,300,000	4,300,000	4,300,000	

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
AIC Kimyoilei secondary school			1,500,000	1,500,000	1,500,000	
Mogomben secondary school			4,000,000	4,000,000	4,000,000	
Mogomben secondary school			3,000,000	3,000,000	3,000,000	
9.0 Tertiary institutions Projects (List all the Projects)						
9.1						
9.2						
9.3						
9.4						
10.0 Security Projects						
10.1 Kobujoi police post	9,200,000	4,300,000	400,000	11,500,000	9,200,000	4,300,000
10.2 Kaptumo police post	2,000,000			2,000,000	1,000,000	1,000,000
10.3 Nandi south police HQRS			4,300,000	4,300,000	4,300,000	
Kapkures chiefs office			400,000	400,000	400,000	
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office	1,309,544			1,309,544	-	1,309,544
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
12.2						
Funds pending approval**						
Total	137,088,879	13,595,690	69,367,724	205,653,301	165,106,158	37,367,345

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



XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

2019)

Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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.

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

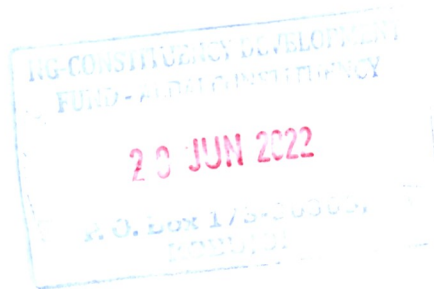
Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
B042952	1		6,000,000
B041077	2		55,040,876
B041254	3		4,000,000
B047356	4		5,000,000
B047675	5		7,000,000
B047851	6		14,000,000
B049221	7		20,000,000
B104233	1	4,212,000	
B104519	2	28,000,000	
B104578	3	37,155,724	
B104785	4	9,000,000	
B104980	5	12,000,000	
B124884	6	6,900,000	
B119730	7	15,000,000	
B119690	8	8,000,000	
B132085	9	6,000,000	
	10	15,000,000	
	11	6,000,000	
B126049		6,000,000	
B126339	12	10,000,000	
B105183	13	15,000,000	
TOTAL			

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

		172,267,724	166,081,752
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2. PROCEEDS FROM SALE OF ASSETS

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



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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,422,584	1,774,162
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	937,150	-
Employer Contributions Compulsory national social security schemes	56,622	18,200
Total	3,416,356	1,792,442

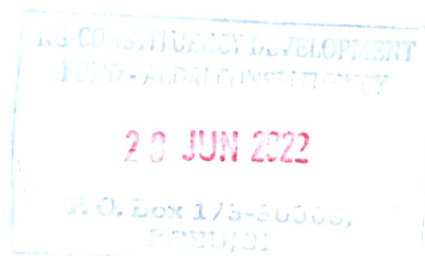


*Aldai Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	1,339,000	2,191,000
Utilities, supplies and services	2,424,817	11,459
Communication, supplies and services	9,450	51,520
Electricity		43,808
Domestic travel and subsistence	1,383,025	643,480
Printing, advertising and information supplies & services	278,100	227,620
Rentals of produced assets	-	-
Training expenses	-	1,306,000
Hospitality supplies and services	-	363,890
Insurance costs	-	392,752
Specialized materials and services	-	-
Office and general supplies and services	-	191,640
Other committee operating expenses	5,070,400	137,600
Routine maintenance -- vehicles and other transport equipment	198,049	18,600
Routine maintenance -- other assets	166,293	44,000
Fuel and lubricants	800,000	300,000
Other operating expenses		109,190
Bank service commission and charges		21,405
Total	11,669,134	5,753,251



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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	29,850,748	31,700,000
Transfers to secondary schools (see attached list)	60,354,595	51,598,938
Transfers to tertiary institutions (see attached list)	5,398,241	1,500,000
TOTAL	95,603,584	84,798,938

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary -- secondary schools (see attached list)	14,649,000	1,224,000
Bursary -- tertiary institutions (see attached list)	21,356,660	4,915,300
Bursary -- special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	2,304,000	-
Security projects (see attached list)	14,900,000	1,500,000
Sports projects (see attached list)	3,710,863	3,758,656
Environment projects (see attached list)	6,575,550	478,500
Emergency projects (see attached list)	3,400,000	6,092,993
Total	66,896,073	17,969,449

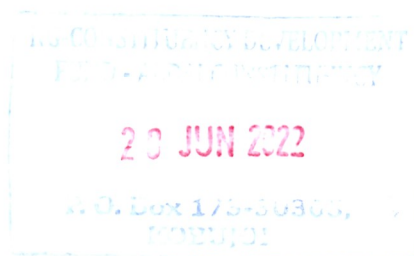
NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Vehicles and Other Transport Equipment	-	6,304,000.00
Overhaul of Vehicles and Other Transport Equipment	-	290,257.00
Purchase of ICT Equipment, Software and Other ICT Assets	-	425,000.00
Total	-	7,019,257.00

9. OTHER PAYMENTS

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



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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Name of Bank, Account No. KCB 1106819578</i>	8,278,267	13,595,690
Total	8,278,267	13,595,690
10B: CASH IN HAND		
Location 1	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

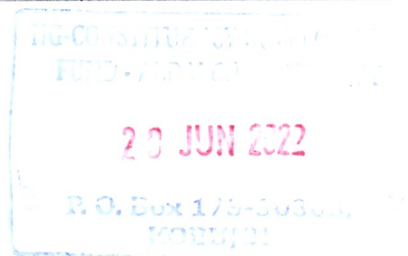


NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer</i>	<i>dd/mm/yy</i>	-1	-	-
<i>Total</i>				-

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



12A. RETENTION

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

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	-	920,482
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	920,482

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2020-2021 (1st July 2020)	2019-2020 (1st July 2019)
	Kshs	Kshs
Bank accounts	13,585,950	2,167,264
Cash in hand	-	-
Imprest	-	-
Total	13,585,950	2,167,264

[Provide short appropriate explanations as necessary]

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

14. PRIOR YEAR ADJUSTMENTS

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

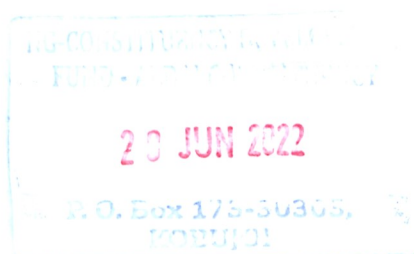
****** *The adjusted balances are not carried down on the face of the financial statement.
(Entity to provide disclosure on the adjusted amounts)*

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

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

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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



NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

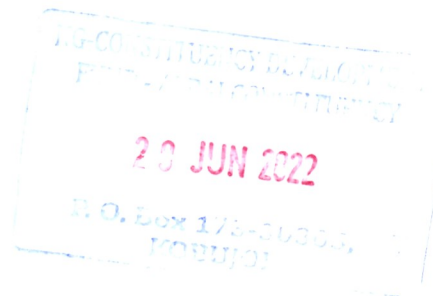
	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	428,694	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	905,496	1,512,531
Use of goods and services	1,011,035	3,579,807
Amounts due to other Government entities (see attached list)	32,800,000	24,035,448
Amounts due to other grants and other transfers (see attached list)	6,441,071	36,300,059
Acquisition of assets	1,309,453	6,187,991
Others (<i>specify</i>)		21,000
Funds pending approval		
	42,467,055	71,636,836

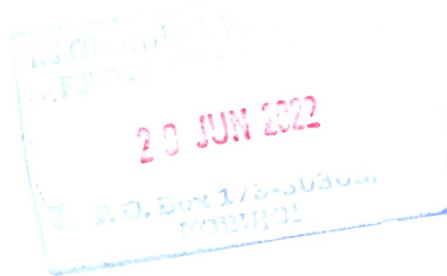


*Aldai Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	9,850,111.00	11,747,108.00
	9,850,111.00	11,747,108.00



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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	A	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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20 JUN 2022

P.O. Box 175-50200
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*Aldai Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. Jepleting Ursula	Accounts Assistant		79428	
2. Fredrick Rutto	Driver		63988	
3. Cornelius Kipkorir	Clerk of Works		38750	
4. Jepkesio Josephine	Secretary		28810	
5. Philip Kering	Security		167400	
6. David Kirui	Grounds Man		50,316	
	Sub-Total		428,692	
	Grand Total		428,692	



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

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	SALARY	905,496	1,512,531	
Use of goods & services	ADMIN AND M&E	1,011,035	3,579,807	
Amounts due to other Government entities				
	PRIMARY SCHOOLS	22,000,000	11,750,748	
	SECONDARY SCHOOL	10,800,000	12,284,700	
	Sub-Total	38,511,035	29,127,786	
Amounts due to other grants and other transfers				
	SPORTS	(635,566)	1,169,516	
	ENVIRONMENT	1,560,621	4,449,671	
	BURSARY	(1,435,530)	13,797,931	
	SECONDARY SCHOOLS			
	BURSARY TERTIARY	(2,636,660)	12,284,700	
	SOCIAL SECURITY	96,000	2,400,000	
	SECURITY	5,300,000	400,000	
	EMERGENCY	4,192,206	1,798,241	
	Sub-Total	6,441,071	36,300,059	
Acquisition of assets				
		1,309,544	6,187,991	

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 20 JUN 2022
 P.O. BOX 173-36365,
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*ALDAI Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	
Buildings and structures	7,995,659	-	-	7,995,659
Transport equipment	10,265,299	-	-	10,265,299
Office equipment, furniture and fittings	978,570	-	-	978,570
ICT Equipment, Software and Other ICT Assets	791,450			791,450
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	20,030,978			20,030,978



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

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
SIMOTWO PRIMARY SCHOOL	KCB	1207790834	250,825	1,025
BOI PRIMARY SCHOOL	KCB	1171846215	1,000,350	1,370
KAPTILOL PRIMARY SCHOOL	KCB	1286747678	498,975	-
PEMJA PRIMARY SCHOOL	KCB	1172221987	400,330	590
TIRIKWO PRIMARY SCOOOL	KCB	1287409520	248,975	-
KIPSARTUK PRIMARY SCHOOL	KCB	1260176037	919,129	-
CHEPSIOCH PRIMARY SCHOOL	KCB	1287690238	448,975	-
ALDAI GIRLS SECONDARY SCHOOL	KCB	1233792709	271,362.80	-
ACK IBANJA SECONDARY SCHOOL	KCB	1166543250	23,181.9	1,101,145.90
KAPSAOS SECONDARY SCHOOL	KCB	1254365745	806,749	-
ALDAI BOYS SECONDARY SCHOOL	KCB	1172966850	2,632,825.25	250,684
ST ANNE KAPKEMICH SECONDARY SCHOOL	KCB	1116271753	2,842,721.5	-
ST. MARY'S KIPCHEMWOI SECONDARY SCHOOL	KCB	1177168980	5,712.20	1,963,285
Total			9,850,111.65	3,326,099.90

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

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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0 Transfers to Other Government Units	The statement of receipts and payments for the year ended 30 June 2018 reflects transfers to other government entities of Kshs. 14,194,259 relating to transfers to secondary schools and primary schools. However, acknowledged, a record of minutes, accounting documents such as cash books and other related records in relation to the projects which were being implemented showing how much had been spent and amount outstanding or unused as at 30 June 2018 were not provided for audit verification. Under the circumstances, it was	Cashbook and accounting records to be prepared. Similarly, acknowledged amount to be done by the beneficiary project management committees	Michael Odit-FAM	resolved	The issue to be resolved by end of October 2019

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	not possible to confirm whether the transfers to other government entities totalling Kshs. 14,194,259 was actually received, utilized and accounted for the budgeted projects in the year.				
2.0 Other Grants and Payments	Included in the other grants and payments figure of Kshs. 18,615,000 is a total expenditure of Kshs. 2,000,000 comprising of other capital grants and emergency projects. However, bills of quantities for the projects were not provided for audit review. Further, certificates of completion were also not produced for audit review. Consequently, the propriety of other capital grants and emergency projects expenditure totalling Kshs. 2,000,000 as at 30 June 2018 could not be confirmed.	Bill of quantities and Certificates of completion to be provided by the technical departments	Michael Odit-FAM	resolved	The issue to be resolved by end of october 2019
3.0 Project	Note 15.4 to the financial	Cashbook and	Michael	resolved	The issue

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

Reference	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
No. on the external audit Report					
Management Committee Accounts Balance	statements reflects project management committee account balance of Kshs. 16,400,000 relating to disbursed funds to the projects during the year which had not been utilized by the end of the year. However, accounting records such as cash books and bank reconciliation statements were not provided for audit review. In consequence, the accuracy and existence of project management committee accounts balances of Kshs. 16,400,000 as at 30 June 2018 could not be ascertained.	bank reconciliation statements to be prepared	Odit-FAM		to be resolved by end of October 2019
1.0 Budgetary Performance	Other Matter During the year under review, Aldai Constituency Development Fund had an approved budget of Kshs. 98,762,801, but incurred expenditure totaling to Kshs.	The under expenditure was due to circumstances beyond our control as a			

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	43,585,153 resulting to under expenditure of Kshs. 55,177,648 or 44.1% of the approved budget as summarized below Under expenditure is an indication of failure to provide optimal service delivery to citizens of Aldai Constituency	committee .The funds were not released in time			
Compensation of Employees	Basis of Conclusion Examination of personal files availed for audit verification revealed that Aldai Constituency Development Fund did not carry out appraisal of staff as provided for in the National Government Constituency Development Fund Human Resource Policies and Procedure Manual section 9.1 which stipulate methods by which an employee will be appraised and job elements to be used as indicative of performance will be determined from time to time	The committee has resolved that the staff appraisal be done as a matter of agency	Michael Odit-FAM	Resolved	The issue to be resolved by end of October 2019

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	and approved by the board. Hence, it was not possible to justify how the CDF appraised individual performance against the set performance targets.				