

REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUL 2024	DAY: WEDNESDAY
TABLED BY:	MAJORITY PARTY WHIP
CLERK-AT-THE-TABLE:	MOSES LOMALE

REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – MT. ELGON
CONSTITUENCY**

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



MT. ELGON CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th JUNE 2023

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

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I. Acronyms and Abbreviations

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

NGCDF-	National Government Constituency Development Fund
PFM-	Public Finance Management
IPSAS-	International Public Sector Accounting Standards.
PMC-	Project Management Committee
FY-	Financial Year

II. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Mt. Elgon 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)

Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Carolyn Wanyonyi
2.	Sub-County Accountant	Claynton Okeyo
3.	Chairman NGCDFC	Asheri shari chesebe
4.	Member NGCDFC	Geoffrey chemeniong

(c) Fiduciary Oversight Arrangements

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

(d) Mt. Elgon Constituency NGCDF Headquarters

P.O. Box 267
Planning and Development Building
Kapsokwony –Kaptama Road/Highway
Kapsokwony, Kenya

(e) Mt. Elgon Constituency NGCDF Contacts

Telephone: (254) 769781934
E-mail: mtelgonngcdf@gmail.go.ke
Website: www.go.ke

(f) Mt. Elgon Constituency NGCDF Bankers

Equity Bank
Bungoma branch
P.O.Box
Bungoma

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



ASHERI SHARI CHESEBE - CHAIRMAN NG CDFC

Mt. Elgon constituency is one of the constituencies that make up the Bungoma County. The constituency borders the republic of Uganda to the north and west, Trans Nzoia County to the east, Sirisia and Kabuchai constituencies to the south. The constituency comprises of Mt Elgon and Cheptais sub counties, sub-divided into six wards, sixteen locations and further into 40 sub locations. The constituency occupy an area of 956.6sq. Km. around 70% of the constituency area is covered by a gazetted forest reserve which is in the upper section of the constituency while the rest is under human settlement which is the lower region of the constituency. The constituency is inhabited by the majority Sabaot community, and the minority Bukusu and the Teso. NG-CDF Mt. Elgon is led by Mt. Elgon NG-CDF which was selected and inaugurated as per the NG-CDF act and regulations. Mt elgon constituency has poor terrain because of its hilly nature. This actually had an effect on delivery of materials to the construction sites. Due to hilly topography, the constituency also suffered high cost of construction as the contractors had to spent a lot to get the required level. There were delays of disbursements from the board and as at the close of the year the constituency had not received 55% of its allocation. Most of the funds were disbursed towards the close of the financial year.

NGCDF Mt Elgon had its budget as follows during the financial year 2022-2023

1. Environment budget is 2,900,000 Kenya shillings and they are utilized in totality for purchasing of tree seedling which are supplied to various institutions in the constituency
2. Education in Mt. Elgon constituency key to success. Without education that is dead community and therefore NG CDF allocated 41,000,000 to pay fee for poor, bright and vulnerable students in secondary and tertiary colleges.

*Mt. Elgon Constituency
National Government Constituencies Development Fund (NGCDF)
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3. Sports is another sector where NG CDF allocated around 3,000,000 Kenya shillings to facilitated the sports activities by purchasing uniforms, balls, nets e.t.c
4. NG CDF Mt Elgon expected Kshs. 166,468,445 as total budget for the financial year 2022/2023. However, the office recieved a total budget of ksh. 101,508,271. A huge junk of money amounting to kshs. 64,960,174 was not disbursed as at the end of the financial year.

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
Transfers from NG-CDF Board	166,468,445	101,508,271	64,960,174

The budgeted and actual expenditures during the year with variances on every vote were as follows.

	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
Compensation of Employees	3,890,147	3,121,850	768,297
Committee expenses	4,716,805	4,271,200	445,605
Use of goods and services	6,898,280	5,217,078	1,681,202
Transfers to Other Government Units	90,479,244	25,600,000	64,879,244
Other grants and transfers	57,008,790	56,957,656	51,134
Oversight Committee Expenses	1,534,000	200,000	1,334,000
Acquisition of Assets	315,359	0	315,359
Other Payments	3,098,420	2,000,000	1,098,420
	167,941,045	97,367,784	70,573,261

Mt Elgon NG-CDF has been able to implement projects successfully amid the myriad of challenges. This can be shown by the below picture.

CHESIKAKI FYM PRIMARY SCHOOL

*CONSTRUCTION AND EQUIPPING OF 4 NO CLASSROOMS
F/Y 2022/2023*



Mt. Elgon NG-CDF has the following Institutional challenges

The Mt. Elgon NG-CDFC is currently experiencing the following constraints:

- Poor terrain
- High insecurity
- Unstable loam soil which makes construction very expensive
- Inadequate office equipment and space especially in the field
- Low funding that makes it hard for the NG- CDFC to implement its programs
- vast constituency
- Devolution challenges which have led to possible duplication of development projects
- high poverty level which leads to early pregnancies and early marriages
- high poverty level has also strained bursary kitty.

The above challenges can be addressed through

- Co-operation between the county government and national government to improve road network
- Increase in NG-CDF allocation
- Improve in security network

Name Asheri Shari Chesebe
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/2023

Introduction

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

The key development objectives of *Mt. Elgon Constituency 2019-2024* plan are to:

The strategic plan was developed using a consultative process involving various stakeholder. The strategic plan is a road map to deliver the constituency's mandate and commence the journey to achieve its vision. The strategic developed contains mission vision, key focus areas, objective and strategies to achieve the desired results. The objectives of Mt. Elgon strategic plans are as follows; -

- To improve education outcomes at all levels of learning within the learning institutions in the constituency.
- To harness the potential of youth in combating unemployment in the constituency
- To empower special interest groups and provide safety nets for the vulnerable groups in the constituency
- To encourage social cohesion through cultural programming
- To coordinate and facilitate infrastructural development in the constituency
- To enhance security for residents through multi-stakeholder pronged approaches
- To promote and enhance networks

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:

SECTOR	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2022/2023 -we increased number of classrooms, dormitories, laboratories etc from 5 in to 41. - Bursary beneficiaries at all levels were doubled. This impacted more on school dropout rate.</i>
Security	<i>To provide peace and order to the people and their properties</i>	<i>Have a peaceful environment for its people and properties</i>	<i>Physical infrastructure have increased of police stations and police post</i>	<i>In financial year 2022/2023 We constructed more three police station that is Kipsigon police station,</i>

				<i>kang'ang'a police post, and cheptais police station</i>
Environment	<i>To improve a conducive environment</i>	<i>Living in suitable environment free of pollution</i>	<i>Increase number of tree plantation</i>	<i>We planted 420 trees in 28 institutions as a way to promote climate change and implementation of the presidential directive.</i>
Sports	<i>To engage youth in productive sports activities, and produce a fit society</i>	<i>Have a health society which physically fit</i>	<i>Have people who are physically fit and creating employment for the youth who are talented</i>	<i>We organised for a sports tournament, awards were given to best teams .however the best team represented the constituency at regional level at Mumias sports complex, more than 1,000 youths were natured.</i>
Emergency	<i>To tackle any emerging issues in the constituency</i>	<i>Having ready finances for any emerging issues</i>	<i>Reduce risk of people who are suffering from emergency issues by solving their problem instantly because there is emergency money</i>	<i>The. NGCDF committee ensured that emerging issues where solved immediately. There were several emergencies in the constituency during the financial year with six projects being education institution and one security projects as listed below.</i> <u>Emergency projects</u> Kaptelelio secondary school, Kim girls secondary school, Chepkurkur secondary school Toroso high school Kapsokwony sub county office Toroso mixed secondary school <u>security projects</u> Mt. Elgon dcc office

V. Statement of Governance

NGCDF Mt. Elgon Committee are appointed subject to the provisions of section 43(2) (b), (c) and (d) of the NG-CDF Act through a Selection Panel.

Some key qualifications to be appointed as a committee member include;

- a) Citizen of Kenya;
- b) Ordinarily a resident and a voter within the Constituency;
- c) Able to read and write and to communicate in English and Kiswahili;
- d) Meets the requirements of Chapter Six of the Constitution;
- e) Available to participate in the activities of a Constituency Committee.

Removal of a member

A member may be removed from the committee in accordance with the provisions of section 43 (13) and (14) of the Act upon receipt of a complaint against a member.

A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office. The complaint shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. If members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued. Duties as a member of the Constituency Committee. At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office

The functions of the Constituency Committee are;

- I. Build the capacity of project management committees and Committee.
- II. Sensitize the Community on the operations of the Fund;
- III. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- IV. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act; 1956 - Kenya Subsidiary Legislation, 2016 ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans; in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- V. Consult with relevant government departments to ensure that cost estimates for projects are realistic; in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- VI. Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and

- implementation, before respective constituencies approve such a project for joint funding;
- VII. Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- VIII. Ensure that all projects receive adequate funding and are completed within three years; where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- IX. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board; monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- X. Ensure that project reports are prepared and submitted to the Board; ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- XI. Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- XII. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;

Induction and training of members

The committee were inducted and trained about their key functions and responsibilities. The training was conducted at Starbucks ,Eldoret. The training was organized by the NGCDF Board

Conflict of interest, ethics and conduct

The committee was sensitized on conflict of interest, ethics and conduct. This covers the entire implementation process of all NGCDF projects.

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Mt. Elgon 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 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Mt. Elgon NG CDF office yearly procure tree seedling that are supplied to various institutions in the constituency. This encourages students and teachers to conserve the environment. For example, 2022/2023 financial year the office procured the following tree seedling and where given to several school or institutions: -

ITEMS	ITEM DESCRIPTION	QUANTITY
1	PISCHOVIA	2,240 PCS
2	NANDI FLAME	2,240 PCS
3	BLUE GUM	3,920 PCS
4	WHISTLING PINE	1,680 PCS
5	ELGON TEAK	1,680 PCS

The following are institutions that received seedlings; Serek primary school, kamachei primary School, Kabukwo primary school, Cheptoror primary school, Kinurio primary school, kapkurongo primary school, Rwanda S.A primary school, kapsambu primary school, kapchoywo s.a primary school, kipyeto primary school, chemses primary school, Kiptiroko primary school, kaboywo primary school, kostoi primary school, Mulatiwa primary school, kimama primary school, kasoromet adc primary school, Chebwek S.A primary school, chesito primary school, toywondet primary school, kebee secondary school, sendera primary school, kibuk girls high school, kipchiria secondary school, Nalondo girls high school, Cheptais Boys high school, chesikaki primary school, chepkurkur sec school and chemoge chief's office. Below are the photographs of environment:-

Youth and community have been sensitized on drug abuse by NGO's and even NGCDF have supported the construction and installation of police stations. The officers enforce the law against drugs and drug abuse. An example of newly constructed police station is kang'ang'a police post where NG CDF Mt. Elgon constructed offices, cell and armory

NG CDF Mt. Elgon sponsor sports by planning, organizing and purchasing of sports material e.g. buying balls, uniforms and even buying players lunch and many others.

3. Employee welfare

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

Mt. Elgon NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

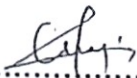
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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



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Name CPA Carolyne Wanyonyi
Fund Account Manager.

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

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

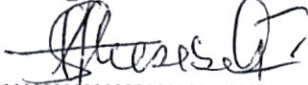
The Accounting Officer in charge of the NGCDF Mt. Elgon Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial

*Mt. Elgon Constituency
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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- Mt. Elgon Constituency financial statements were approved and signed by the Accounting Officer on 20/9/2023 2023.



.....
Name: Asheri Shari Chesebe
Chairman – NGCDF Committee



.....
Name :CPA Carolyne Wanyonyi
Fund Account Manager

REPUBLIC OF KENYA

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mt. Elgon Constituency set out on pages 1 to 34, which comprise of the statement of assets and liabilities as at 30 June, 2023 and the

statement of receipts and payments, statement of cash flows and summary statement of appropriation 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 - Mt. Elgon Constituency as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

1. Stale Cheques

The statement of assets and liabilities reflects a cash and cash equivalents balance of Kshs.4,140,487 as disclosed in Note 12 to the financial statements. However, the bank reconciliation statement for the month of June, 2023 in support of the balance, includes stale cheques totalling Kshs.246,000 which had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.4,140,487 could not be confirmed.

2. Unsupported Expenditure on Bursaries

The statement for receipts and payments reflects other grants and transfers amount of Kshs.56,957,656 as disclosed in Note 8 to the financial statements. The amount includes bursary payments to secondary schools of Kshs.21,416,354, to tertiary institutions Kshs.18,256,302 and to special schools of Kshs.2,060,000. However, copies of receipts and acknowledgement letters from the beneficiary institutions for bursaries amounting to Kshs.37,778,656 were not provided to confirm receipt of the funds.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.37,778,656 on bursaries 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 - Mt. Elgon 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.

Emphasis of Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects receipts budget and actual on comparable basis amounts of Kshs.167,941,045 and Kshs.101,508,271 respectively, resulting to under-funding of Kshs.66,432,774 or 40% of the budget. However, the Fund spent Kshs.70,573,261 against actual receipts of Kshs.101,508,271, resulting to an under-utilization of Kshs.30,935,010.

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

2. Project Management Committee Account Balances

Note 19.4 to the financial statements reflects a balance of Kshs.17,109,721 in respect of Project Management Committee (PMC) account balances which, as disclosed in Annex 5, comprises of balances held by Project Management Committees in fifty-nine (59) bank accounts. However, bank reconciliation statements, bank statements, cash books and bank confirmation certificates were not provided to support the balances.

My opinion is not modified in respect to these matters.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Incomplete Projects

During the year under review, the Fund had planned to implement eighteen (18) projects at a total cost of Kshs.81,677,709. However, out of this number, fifteen (15) or 83% of the projects costing Kshs.77,477,709 were completed while three (3) or 17% of the projects costing Kshs.4,200,000 were on-going.

In the circumstances, value for money was not obtained from the three (3) projects that were not completed.

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

REPORT ON 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 governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease its 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015, and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 May, 2024

Report of the Auditor-General on National Government Constituencies Development Fund - Mt. Elgon Constituency for the year ended 30 June, 2023

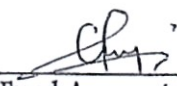
Mt. Elgon Constituency
National Government Constituencies Development Fund (NGCDF)
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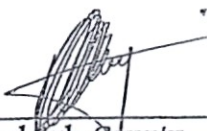
IX. Statement Of Receipts and Payments for the Year Ended 30th June 2023

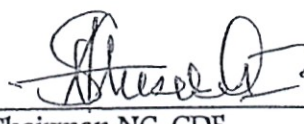
	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	95,300,000	162,977,758
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	1,883,630
TOTAL RECEIPTS		95,300,000	164,861,388
PAYMENTS			
Compensation of employees	4	3,121,850	4,650,000
Committee expenses	5	4,271,200	-
Use of goods and services	6	5,217,078	8,967,126
Transfers to Other Government Units	7	25,600,000	102,836,450
Other grants and transfers	8	56,957,656	51,814,000
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	200,000	-
Other Payments	11	2,000,000	-
TOTAL PAYMENTS		97,367,784	168,267,576
SURPLUS/DEFICIT		(2,067,784)	(3,406,188)

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

The Constituency financial statements were approved by the NGCDFC on 25/9/2023 2023 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name :CPA Carolyne
Wanyonyi

Name: CPA Claytone Omondi
Okeyo
ICPAK M/No:

Name: Asheri Shari Chesebe

Mt. Elgon Constituency
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X. Statement Of Assets and Liabilities As At 30th June, 2023


	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	4,140,487	6,208,271
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		4,140,487	6,208,271
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		4,140,487	6,208,271
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL ASSETS		4,140,487	6,208,271
REPRESENTED BY			
Fund balance b/fwd 1st July 2022	15	6,208,271	9,614,459
Prior year adjustments	16	-	-
Surplus/Deficit for the year		(2,067,784)	(3,306,188)
NET FINANCIAL POSITION		4,140,487	6,208,271

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

The Constituency financial statements were approved by NG CDFC on 26/9/2023 and signed by:


 Fund Account Manager

Name :CPA Carolyne
 Wanyonyi


 National Sub-County
 Accountant

Name: CPA Clayton Omondi
 Okeyo
 ICPAK M/No:


 Chairman NG-CDF
 Committee


Name: Asheri Shari Chesebe


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

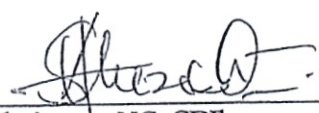
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	95,300,000	162,977,758
Other Receipts	3	-	1,883,630
		95,300,000	164,861,388
Payments for operating activities			
Compensation of Employees	4	3,121,850	4,650,000
Committee expenses	5	4,271,200	8,967,126
Use of goods and services	6	5,217,078	
Transfers to Other Government Units	7	25,600,000	102,836,450
Other grants and transfers	8	56,957,656	51,814,000
constituency oversight	10	200,000	
Other Payments	11	2,000,000	-
		97,367,784	168,267,576
Adjusted for:			
Prior year adjustments	16	-	-
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(2,067,784)	(3,406,188)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	
Acquisition of Assets	9	-	
Net cash flows from Investing Activities		-	
NET INCREASE IN CASH AND CASH EQUIVALENT			
		(2,067,784)	(3,406,188)
Cash and cash equivalent at BEGINNING of the year	12	6,208,271	9,614,459
Cash and cash equivalent at END of the year	12	4,140,487	6,208,271

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

The Constituency financial statements were approved by NG CDFC on 20/9 2023 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Name :CPA Carolyne
Wanyonyi

Name: CPA Claytone Omondi
Okeyo
ICPAK M/No:

Name: Asheri Shari Chesebe

Mt. Elgon Constituency
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XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c	d=a+b	e	f=e-d	f/d x 100%
RECEIPTS		Opening Balance (C/Bk and AIA)	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	151,960,174	6,208,271	8,300,000	166,468,445	101,508,271	64,960,174	80.3%
Proceeds from Sale of Assets	1,472,600.00	-	-	1,472,600	-	-1,472,600	0.0%
Other Receipts	-	-	-	0	-	-	-
TOTAL RECEIPTS	153,432,774	6,208,271	8,300,000	167,941,045	101,508,271	66,432,774	60.4%
PAYMENTS							
Compensation of Employees	2,756,760	1,133,387		3,890,147	3,121,850	768,297	80.3%
Committee expenses	4,566,000	150,805		4,716,805	4,271,200	445,605	90.6%
Use of goods and services	6,089,515	808,765		6,898,280	5,217,078	1,681,202	75.6%
Transfers to Other Government Units	79,162,350	3,016,894	8,300,000	90,479,244	25,600,000	64,879,244	28.3%
Other grants and transfers	57,008,790			57,008,790	56,957,656	51,134	99.9%
Oversight Committee Expenses	1,534,000			1,534,000	200,000	1,334,000	13.0%
Acquisition of Assets	315,359			315,359	-	315,359	0.0%
Other Payments	200,000	1,098,420		3,098,420	2,000,000	1,098,420	64.5%
TOTAL	153,432,774	6,208,271	8,300,000	167,941,045	97,367,784	70,573,261	58.0%

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

Explanatory Notes.

*The underutilization of all monies was as a result of delay in disbursement from the board.
The underutilization of goods and services was as a result of delay in disbursement from the board.*

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The underutilization of other grants and transfers monies was as a result of delay in disbursement from the board.

Underutilization on compensation of employees was due to a balance from the last financial year of ksh. 1,133,387

*An under- utilization of oversight committee expenses was due to delay in oversight committee formation which took time after the elections.
The underutilization of acquisition of assets was as a result of delay in disbursement from the board.*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	70,573,261
Less undisbursed funds receivable from the Board as at 30th June 2023	66,432,774
	4,140,487
Add Accounts payable	
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalentents at the end of the FY 2022/2023	4,140,487

The Constituency financial statements were approved by NG CDFC on 20/9/ 2023 and signed by:



Fund Account Manager

Name :CPA Carolyne Wanyonyi



National Sub-County Accountant

Name: CPA Clayton Omondi Okeyo
ICPAK M/No:



Chairman NG-CDF Committee

Name: Asheri Shari Chesebe

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c =	Actual on	Budget
	2022-2023	Opening Balance (C/B) and AIA	Previous years Outstanding Disbursements	(a+b) 2022-2023	comparable basis(d) 6/30/2023	utilization difference(e = c-d)
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,756,760	1,133,387.00		3,890,147	2,510,840	1,379,307
1.2 Committee allowances	3,079,000	104,890.00		3,183,890	3,124,100	59,790
1.3 Use of goods and services	2,973,532	94,765.00		3,069,297	2,943,185	125,112
Total	8,809,292	1,333,042	-	10,145,233.4	8,578,125	1,563,209
2.0 Monitoring and evaluation						
2.1 Capacity building	1,700,000	714,000.00		2,414,000	1,197,410	1,216,590
2.2 Committee allowances	1,590,000	45,915.00		1,635,915	1,147,100	488,815
2.3 Use of goods and services	1,312,983			1,312,983	1,170,173	142,810
Total	4,602,983	759,915	-	5,362,898	3,514,683	1,848,215
3.0 Emergency						
3.1 Primary Schools	6,457,073	2,287,926.59		8,744,999.59	8,745,000	(0)
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects	1,179,117			1,179,118	890,000	289,117
3.5 Unutilised				-		-

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Total	7,636,190	2,287,927		9,924,118	9,635,000	289,117
4.0 Bursary and Social Security				-		
4.1 Secondary Schools	21,000,000	412,664		21,412,664	21,412,664	-
4.2 Tertiary Institutions	18,000,000	256,302		18,256,302	18,256,302	-
4.3 Social Security				-		-
4.4 Special Needs	2,000,000	60,000.00		2,060,000	2,060,000	-
Total	41,000,000	728,966	-	41,728,966	41,728,966	-
5.0 Sports				-		
Mt. Elgon NGCDF sports	3,000,000			3,000,000	2,700,000	300,000
Total	3,000,000			3,000,000	2,700,000	300,000
6.0 Environment						
Mt. Elgon NGCDF Environment	2,900,000			2,900,000	2,800,000	100,000
Total	2,900,000	-	-	2,900,000	2,800,000	100,000
7.0 Primary Schools Projects						
Kamata Primary School.	8,000,000			8,000,000	-	8,000,000
Cheskaki FYM Primary School.	8,000,000			8,000,000	2,000,000	6,000,000
Kabariot Primary School.	8,000,000			8,000,000	8000000	-
Cheptaburbur Primary School.	8,000,000			8,000,000	3000000	5,000,000
Cheptais SDA pri. School	4,000,000			4,000,000	0	4,000,000
Kapsambu Primary School	3,600,000			3,600,000	0	3,600,000
Chelebei Primary School.	2,800,000			2,800,000	0	2,800,000
Chepsoikei Primary School	2,000,000			2,000,000	0	2,000,000
Rama Primary School.	8,000,000			8,000,000	1300000	6,700,000
Cheptais S.A Primary School.	8,000,000			8,000,000	3000000	5,000,000
Burkenwo PR	0		2,500,000.00	2,500,000	2500000	-
Chepkurkur SEC	-		2,900,000.00	2,900,000	2900000	-

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AIC Kipsgon	-	-	2,900,000.00	2,900,000	2900000	-
Total	60,400,000	-	8,300,000	68,700,000	25,600,000	43,100,000
8.0 Secondary Schools Projects						
Cheptais Boys High School	9,762,350			9,762,350		9,762,350
Chebombai Secondary School	3,000,000			3,000,000		3,000,000
Total	12,762,350	-	-	12,762,350	-	12,762,350
9.0 Tertiary institutions Projects						
Total	-		-	-	-	-
10.0 Security Projects						
Deputy County C commissioner's office	1,000,000			1,000,000		1,000,000
Total	1,000,000	-	-	1,000,000	-	1,000,000
11.0 Acquisition of assets						
Motor cycle	315,359			315,359		315,359
Total	315,359		-	315,359		315,359
12.0 Oversight Committee Expenses						
COC Members allowance	1,534,000			1,534,000	200,000	1,334,000
13.0 Other payments						
Mt Elgon NG-CDF Strategic plan	2,000,000			2,000,000.00	2000000	
Total	3,534,000	-	-	3,534,000	2,200,000	1,334,000
13.0 unallocated fund						
Unapproved projects						
Kapkateny-Kapkateny police station road	1,472,600			1,472,600		1,472,600
Sambocho Primary School.	800,000			800,000		800,000
Kananachi Primary School.	1,600,000			1,600,000		1,600,000
Emgwen primary school.	1,600,000			1,600,000		1,600,000

*Mt. Elgon Constituency
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Rwanda primary school.	2,000,000			2,000,000		2,000,000
Gratuity		952,320.00		952,320	611,010	341,310
AIA		146,100.00		146,100		146,100
Total	7,472,600	1,098,420	-	8,571,020	611,010	7,960,010
	153,432,774	6,208,270	8,300,000	167,941,045	97,367,784	70,573,261

(NB: This statement is a disclosure statement indicating the utilisation 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)

XIV. 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-Mt. Elgon Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

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.

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

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 2022 for the period 1st July 2022 to 30th June 2023 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.

Significant Accounting Policies Continued

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 2023.

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.

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE NO. B 185189	7,000,000.00	0
AIE NO. B 185465	6,000,000.00	0
AIE NO. B 185364	8,300,000.00	0
AIE NO. B 185725	15,000,000.00	0
AIE NO. B 206041	5,000,000.00	0
AIE NO. B 206490	12,000,000.00	0
AIE NO. B205834	12,000,000.00	0
AIE NO. B 207595	15,000,000.00	0
AIE NO. B 207961	15,000,000.00	0
AIE NO.B105222	-	34,188,879
AIE NO.B105519	-	68,000,000
AIE NO.B105982	-	10,000,000
AIE NO.B128633	-	16,000,000
AIE NO.B128947	-	26,000,000.00
AIE NO.B154143	-	8,788,879.00
TOTAL	95,300,000.00	162,977,758

2. Proceeds From Sale of Assets

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

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3. Other Receipts

<i>Description</i>	<i>2022-2023</i>	<i>2021-2022</i>
	<i>Kshs</i>	<i>Kshs</i>
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	31,000
Balance adjustments	-	310
Unutilized funds from PMCs		900,000
Other Receipts Not Classified Elsewhere (specify)	-	952,000
TOTAL	-	1,883,310

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

<i>Description</i>	<i>2022-2023</i>	<i>2021-2022</i>
	<i>Kshs</i>	<i>Kshs</i>
NG-CDFC Basic staff salaries	2,306,740	3,540,000
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	611,010	952,320
Employer Contributions Compulsory national social security schemes	204,100	157,680
TOTAL	3,121,850	4,650,000

5. Committee Expenses

	<i>2022/2023 FY</i>	<i>2021/2022 FY</i>
	<i>Kshs</i>	<i>Kshs</i>
Sitting allowance	1,147,100	0
Other committee expenses	3,124,100	0
Total	4,271,200	0

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6. Use of Goods and services

<i>Description</i>	<i>2022-2023</i>	<i>2021-2022</i>
	<i>Kshs</i>	<i>Kshs</i>
Utilities, supplies and services	30,000.00	60,000
Communication, supplies and services	9,450.00	35,000
Domestic travel and subsistence	-	0
Printing, advertising and information supplies & services	-	0
Rentals of produced assets	-	-
Training expenses	1,197,410.00	1,134,580
Hospitality supplies and services	-	0
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	276,000.00	88,110
Fuel, oil & lubricants	1,120,000.00	1,288,000
Other operating expenses	2,338,000.00	-
Other committee expenses	-	3,825,770
Committee allowance	-	1,944,750
Bank service commission and charges	10,726.69	10,470
Security operations	-	0
Routine maintenance - vehicles and other transport equipment	235,491.00	580,446
Routine maintenance- other assets	-	-
TOTAL	5,217,077.69	8,967,126

Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

<i>Description</i>	<i>2022/2023FY</i>	<i>2021/2022FY</i>
	<i>Kshs</i>	<i>Kshs</i>
Transfers To Primary Schools (See Attached List)	25,600,000.00	32,200,000
Transfers To Secondary Schools (See Attached List)	-	70,636,450
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	25,600,000	102,836,450

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8. Other Grants and Other transfers

	2022/2023 FY	2021/2022 FY
	Kshs	Kshs
Bursary – secondary schools (see attached list)	21,416,354	21,618,000
Bursary – tertiary institutions (see attached list)	18,256,302	11,061,000
Bursary – special schools (see attached list)	2,060,000	1,280,000
Mock & CAT (see attached list)		
Social Security programmes (NHIF)		
Security projects (see attached list)		5,700,000
Sports projects (see attached list)	2,700,000	2,700,000
Environment projects (see attached list)	2,800,000	2,700,000
Emergency projects (see attached list)	9,725,000	6,755,000
Roads projects (see attached list)		
Total	56,957,656	51,814,000

Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

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

10. Oversight Committee Expenses

	2022-2023	Insert Previous FY
	Kshs	Kshs
COC Members allowance	200,000	-
Other COC expenses	-	-
TOTALS	200,000	-

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11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	2,000,000	-
ICT Hub	-	-
	2,000,000	-

12. Cash Book Bank Balance

Name of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Equity Bank Bungoma Branch Mt- Elgon Ngcdf Account No.0480278995270	4,140,487	6,208,271
Kenya Commercial Bank, A/C No. Branch. (Deposit Account)	-	-
	-	-
TOTAL	4,140,487	6,208,271

13. Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total		-	-	-

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Notes to the Financial Statement Continued
 14A. Retention

	2022-2023	2021-2022
	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	-	-

14B. Gratuity

	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	952,320	952,320
Gratuity held during the year (B)		
Gratuity paid during the Year (C)	(611,010)	
Closing Gratuity as at 30 th June D= A+B-C	341,310	952,320

15. Fund Balance B/F

	(1 st July 2023-1)	(1 st July 2023-2)
	Kshs	Kshs
Bank accounts	6,208,271	9,614,459
Cash in hand		
Imprest		
Total		
Less		
Payables: - Retention		
Payables - Gratuity		
Fund Balance Brought Forward	6,208,271	9,614,459

[Provide short appropriate explanations as necessary]

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16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
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)

17. Changes In Accounts Receivable – Outstanding Imprests

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

18. Changes In Accounts Payable – Deposits and Retentions

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

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

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

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	768,297	1,133,387
Committee allowances	445,605	-
Use of goods and services	1,681,202	959,570
Amounts due to other Government entities (see attached list)	64,879,244	3,016,893
Amounts due to other grants and other transfers (see attached list)	51,134	-
Acquisition of assets	315,359	
Oversight committee	1,334,000	
Others (specify)	1,098,420	952,320
Funds pending approval		8,446,100
TOTALS	70,573,261	14,508,270

19.4: FMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
FMC account balances (see attached list)	17,109,721	9,527,257
Total	17,109,721	9,527,257

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XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				
1. Alfred Chemonges	Accounts assistant	Jan-18	83,700	To be paid once the contract has expired
2. Christine muyala	Secretary/Record management officer	Jan-18	83,700	
3. Isaac Kiso	Driver	Jan-18	83,700	
4. Michael ndiema	office assistant	Jan-18	37,200	
5. Rashid sikowo	watchman	Jan-18	37,200	
6. Geoffrey sketi	clerk of works	Jan-20	15,810	
Sub-Total			341,310	
Grand Total			341,310	

ANNEX 3 - UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
		1,379,307	1,133,387	
<u>Compensation of employees</u>			104,890	
<u>Committee allowances</u>		690,790	94,765	
<u>Use of goods and services</u>		828,113		
<u>Capacity building</u>		1,216,590	714,000	
<u>Committee allowances</u>		488,815	45,915	

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Use of goods and services		142,810		
Sub-Total		4,746,424	2,092,957	
Amounts due to other grants and other transfers				
Bursary to Secondary Schools			412,664	
Bursary to Tertiary Institutions			256,302	
sports		300,000		
Environment		100,000		
Security		1,000,000	60,000	
Bursary to special schools			2,287,927	
Emergency		289,117		
Sub-Total		1,689,117	3,016,893	
Amounts due to other Government entities				
Kamata Primary School.		8,000,000	-	
Cheskaki FYM Primary School.		6,000,000	-	
Cheptaburbur Primary School.		5,000,000	-	
Cheptais SDA pri. school		4,000,000	-	
Kapsambu Primary School		3,600,000	-	
Chelebei Primary School.		2,800,000	-	
Chepsoikey Primary School			-	

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		2,000,000		
Rama Primary School.		6,700,000	-	
Cheptais S.A Primary School.		5,000,000	-	
Cheptais Boys High School		9,762,350	-	
Chebombai Secondary School		3,000,000	-	
		-	-	
	Sub-Total	55,862,350	-	
Acquisition of assets		315,359	-	
Others (<i>specify</i>)				
gratuity		341,310	-	
AIA		146,100	952,320	
			146,100	
	Sub-Total	487,410	1,098,420	
Funds pending approval		7,472,600	8,300,000	
	Grand Total	70,573,261	14,508,270	

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Asset class	Historical Cost b/f (Kshs) 2021-2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2022-2023
Land	1,000,000	-	-	1,000,000
Buildings and structures	10,500,000	-	-	10,500,000
Transport equipment	5,500,000	-	-	5,500,000
Office equipment, furniture and fittings	701,000	-	-	701,000
ICT Equipment, Software and Other ICT Assets	916,945	-	-	916,945
Other Machinery and Equipment		-	-	
Heritage and cultural assets		-	-	
Intangible assets		-	-	
Total	18,617,945	-	-	18,617,945

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

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
	Equity Bank of Kenya	0480294445378	889	889
Toroso Pr School	Equity Bank of Kenya	0480277386540	19,805	19,805
Kananachi Primary School	Equity Bank of Kenya	0480277386500	6,018	6,018
Emgwen Primary School	Equity Bank of Kenya	0480277386450	15,256	15,256
Kimorong Primary School	Equity Bank of Kenya	0480279007696	41,907	41,907
Cheptonon Police Station	Equity Bank of Kenya	0480296581524	1,615	1,615
Kaberwa Primary School	Equity Bank of Kenya	0480277386525	4,433	4,433
Kopsiro Do	Equity Bank of Kenya	0480278971728	192,523	192,523
Kiptii Primary School	Equity Bank of Kenya	0480278976934	320	320
Saria Primary School	Equity Bank of Kenya	0480278914451	5,174	5,146
Cheptais Police Station	Equity Bank of Kenya	0480278965512	1,820	1,820
Chemta Primary School	Equity Bank of Kenya	0480278913623	3,236	3,236
Busanja Primary School	Equity Bank of Kenya	0480278995850	483	1,097,549
Kiptoitik Primary School	Equity Bank of Kenya	0480278913147	1,281	1,281
Masaek Sec School	Equity Bank of Kenya	0480277129064	2,040	2,040
Cheptonon Sec	Co-op Bank of Kenya	01139290435800	1,260	1,260
Chebin Primary School	Co-op Bank of Kenya	01139290610600	768	768
Kimerin Primary School	Co-op Bank of Kenya	01141469948600	1,480	1,480
Kapchoiywo Primary School	Co-op Bank of Kenya	01141050030400	2,050	2,050
Masaek Primary	Co-op Bank of Kenya	1139469414000	8,000	8,000
Toroso Sec	Co-op Bank of Kenya	01141688715500	500	500
Chesikaki Special School	Co-op Bank of Kenya	01141687955000	2,572	2,572
Kabero Primary School	Equity Bank of Kenya	480278976662	1,932	128,932
Toywondet primary school	Equity Bank of Kenya	0480280030791	4,371	415,372
Chepkui primary school	Equity Bank of Kenya	0480280088128	480	656,481
Kapkong primary school				

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
	Equity Bank of Kenya	0480280321642	0	-
Chesrup primary school	Equity Bank of Kenya	0480280321636	2,693	2,693
Yembekho primary school	Equity Bank of Kenya	0480280574972	1,391	1,070
Serek primary school	Equity Bank of Kenya	0480280430591	3,550	3,550
Bukonoi primary school	Equity Bank of Kenya	0480280574972	1,070	1,070
Rwanda primary school	Equity Bank of Kenya	0480280906129	500	500
Chemondi primary school	Equity Bank of Kenya	0480279802524	448,395	448,396
Chemeger primary school	Equity Bank of Kenya	0480280839896	2,964	2,964
Chemses primary school	Equity Bank of Kenya	0480280884778	4,433	234,433
Chemses primary school	Equity Bank of Kenya	0480280884948	3,333	258,610
Chesito primary school	Equity Bank of Kenya	0480280858859	2,062	2,062
Chemoge primary school	Equity Bank of Kenya	0480281005721	2,442	121,210
Kiptungururwo primary school	Equity Bank of Kenya	0480281016511	28,434	28,434
Kamabus primary school	Equity Bank of Kenya	0480281043368	3,000	28,000
Koshok primary school	Equity Bank of Kenya	0480281008991	13,260	236,260
Chemoikut primary school	Equity Bank of Kenya	0480280216783	157	158
Kimabole sec school	Equity Bank of Kenya	0480280229145	999,487	999,488
Terem sec school	Equity Bank of Kenya	0480280218527	5,735	5,735
St. Teresa cheptoror sec school	Equity Bank of Kenya	0480280204378	5,203	5,204
Kubura sec school	Equity Bank of Kenya	0480293646916	3,688	3,689
Kaptama Boys	Equity Bank of Kenya	0480277141685	1,013,410	1,013,410
Cherendio primary school	Equity Bank of Kenya	480281008121		6,570
Kamasong primary school	Equity Bank of Kenya	0480280216763	480	12,500
kapkong primary school	Equity Bank of Kenya	0480280229275	3,439	3,500,000
Kanganga police	Equity Bank of Kenya	0480284007804		
BURKENWO SDA PRIMARY SCHOOL PMC	Equity Bank of Kenya	0480279914877	804,235	
chepkurkur sec	Equity Bank of Kenya	0480277386578	132,580	
KIPSIGON AP CAMP PMC A/C primary				

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
kaboriot primary	Equity Bank of Kenya	0480284068398	3,898,400	
chesikaki FYM primary school	Equity Bank of Kenya	0480281312633	2,005,430	
CHEPTAIS SA PRIMARY SCHOOL & SPECIAL UNIT FOR MH- PMC	Equity Bank of Kenya	0480284044317	3,000,000	
CHEPTAIS COMMUNITY COLLEGE PMC	Equity Bank of Kenya	0480277128980	22,426	
CHEPTAIS POLICE STATION- PMC	Equity Bank of Kenya	0480278914451	5,174	
CHEPTAIS SUB-COUNTY CIPU PMC ACCOUNT	Equity Bank of Kenya	0480279574524	20	
CHEPTAIS ADVENTIST MIXED DAY PRIMARY SCHOOL- PMC	Equity Bank of Kenya	0480284046025	0	
KAAMAATA S.A PRIMARY SCHOOL PMC primary school	Equity Bank of Kenya	0480278820904	3,061	
Rama primary school	Equity Bank of Kenya	0480284044907	1,300,000	
Cheptaburbur primary school	Equity Bank of Kenya	0480281295289	3,067,550	
Chepsoikei primary school	Equity Bank of Kenya	0480282205227	1,500	
TOTALS			17,109,721	9,527,257

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)								
	<p>Unsupported Receipts</p> <p>The statement of receipts and payments reflects an Amount of Kshs. 1,883,630 in respect of other receipts which, as disclosed in Note 3 to the financial statements, comprise of Kshs. 31,000, ksh. 310, Kshs. 900,000 and Kshs. 952,320. Relating to receipts from sale of tenders, balance adjustments, utilized funds from PMCs and other receipts not classified elsewhere. However, the amount of ksh. 952,000 has not been supported by any documentation. In addition a recast of note 3 gives ksh. 1,883,310 resulting to a variance of ksh. 320. In the circumstances, the accuracy and completeness of the other receipts amount of Kshs. 1,883,630 could not be confirmed.</p>	<p>Ksh. 952,320 was for provision of gratuity to staff which was paid and deposited back as per the attached documents. The difference of ksh 320 was as a result of mis posting of gratuity which is since corrected. The Fund Account Manager to make necessary corrections.</p>	Resolved	Immediately								
	<p>Poor workmanship in construction and renovation of primary schools</p> <p>The statement of receipts and payments reflects an amount of Kshs. 102,836,450 in respect of transfers to other Government units which, as disclosed in Note 6 to the financial statements, includes Kshs. 32,200,000 being transfers to primary schools for implementation of projects. However, A physical inspection of five (5) valued at Kshs. 9,000,000 revealed the following unsatisfactory matters;</p> <table border="1"> <thead> <tr> <th>Project Name</th> <th>Activity & status</th> <th>Amount (Kshs)</th> <th>Observation</th> </tr> </thead> <tbody> <tr> <td>Kibuk primary</td> <td>Completion of work for</td> <td>2,000,000</td> <td>Complete and in use but with</td> </tr> </tbody> </table>	Project Name	Activity & status	Amount (Kshs)	Observation	Kibuk primary	Completion of work for	2,000,000	Complete and in use but with	<p>The management has noted the anomaly with concern and has written to the public works as supervisors of the projects to be keen on the supervisions</p>	Resolved	immediately
Project Name	Activity & status	Amount (Kshs)	Observation									
Kibuk primary	Completion of work for	2,000,000	Complete and in use but with									

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Reference No. on the external audit Report	Issue / Observations from Auditor				Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	school	5 classrooms		cracks on the walls and floors of the classrooms.			
	Kwangoi primary school	Erection and completion of 1 classroom	1,000,000	Complete and in use but concrete columns showing signs of sinking			
	Chesikaki FYM primary school	Renovation of 5 classrooms	2,000,000	Noticeable cracks on the walls of classes			
	Chesikaki special school	Erection and completion of 2 classrooms	2,000,000	Noticeable cracks on the walls of the classes with no indication of three coats of first grade emulsion paint as per the bill of quantity			
	Toroso primary school	Renovation of 5 classrooms	2,000,000	Noticeable cracks on the walls of the classes			
	Total		9,000,000				


 Name : CPA Carolyn Wanyonyi
 Fund Account Manager.