

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS & AID	
DATE: 23 NOV 2023	DAY: <i>Thurs</i>
TABLED BY:	<i>Hon Kimani Ichungwala, MP Leader of the Majority Party</i>
CLERK-AT-TABLE:	<i>Miriam Mado</i>

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2022**




OFFICE OF THE AUDITOR-GENERAL
NORTH RIFT REGIONAL OFFICE
14 SEP 2023
RECEIVED
P O Box 2774-30100, ELDORET



KAPSERET CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

 THE NATIONAL ASSEMBLY PAPPPS I A'D	
DATE: 23 NOV 2023	DAY.
TABLED BY:	
CLERK-AT	

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

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

Table of Contents

Page

KAPSERET CONSTITUENCY	i
Table of Contents	ii
Key Constituency Information and Management.....	iii
I. NG-CDFC Chairman’s Report	vii
II. Statement Of Performance Against Predetermined Objectives for FY2021/22.....	xxx
III. Environmental and Sustainability Reporting	xxxiii
IV. Statement of Management Responsibilities.....	xxxvii
V. Report of the Independent Auditors On The NGCDF- Kapseret Constituency.....	xxxix
VI. Statement Of Receipts and Payments for the Year Ended 30th June 2022.....	1
VII. Statement of Assets and Liabilities As At 30 th June, 2022	2
VIII. Statement of Cash Flows for the Year Ended 30th June 2022	3
IX. Summary Statement of Appropriation for the Year Ended 30 th June 2022	5
X. Budget Execution by Sectors and Projects for the Year Ended 30 th June 2022	7
XI. Significant Accounting Policies.....	12
XII. Notes to the Financial Statements	18
XIII Annexes	28

Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Kapseret 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

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Mathew K. Tanui
2.	Sub-County Accountant	Jackline K.Chepkemoi
3.	Chairman NGCDFC	Sammy K.Rutto
4.	Member NGCDFC	Lilian Jepkemboi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kapseret 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) Kapseret Constituency NGCDF Headquarters

P.O. Box 2449-30100
NGCDF Office Building
Outspan
Eldoret, KENYA

(f) Kapseret Constituency NGCDF Contacts

Telephone: (254) 725411354
E-mail: cdfkapseret@ngcdf.go.ke
Website: www.ngcdf.go.ke

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

(g) Kapseret Constituency NGCDF Bankers

Co-operative Bank
P.O Box 2928-30100
Eldoret, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

I. NG-CDFC Chairman's Report



Sammy Rutto
Kapseret NGCDFC Chairperson

In the financial year 2021/2022 NG-CDF KAPSERET received a total of KSHS 137,088,879 being its allocation for the implementation of projects falling under the functions of national government as outlined in the NGCDF act of 2015 and as amended in 2016.

NG-CDF Kapseret in full adherence to the act and relevant laws was able to undertake its mandate in the four thematic areas of education, security, environment, and sports, following strictly the criteria outlined in the eligibility of projects.

In education, NG-CDF Kapseret build several Classrooms, Laboratories, Dormitories, Sanitation facilities which has led to improved learning environment. This transformation in schools infrastructure has translated positively on its improvement of results and increased enrolment in our schools in line with government policy of 100% transition and also as a way of mitigating effects caused by Covid 19 pandemic.

Some of the notable projects in education primary section are the construction and completion of a Storey building of 12 classrooms of Langas primary which has been completed and in use and construction and completion of a Storey building of 12 classrooms at Kipkaren Road Primary which is also complete St Ann Simat primary, Kimalel primary, St John Kabongo just to name but a few. This has helped to reduce congestion of learners in classrooms.

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*



Figure 1; commissioning of the completed 12no. classrooms at Langas Primary School

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*



Figure 2: commissioning of the completed 12no. classrooms at Kipkaren Road Primary School



Figure 3: Complete 4no. classroom at St. Anne Simat Primary School



Figure 4: Completed 2no. classrooms at Kimalael primary

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

In secondary schools, NG-CDF Kapseret constructed a Modern single Science Laboratory at Davies Secondary School and completed administration block at Songoliet Secondary School which are complete and in use. Other notable projects are construction of 3NO classrooms at DEB Mutwot Secondary School and 3NO classrooms at Minuti Secondary just to name a few.



Figure5: Completed 2no.C lassrooms at St. Johns Kabongo pri. sch



Figure1: Construction of Administration Block at Songoliet Secondary School

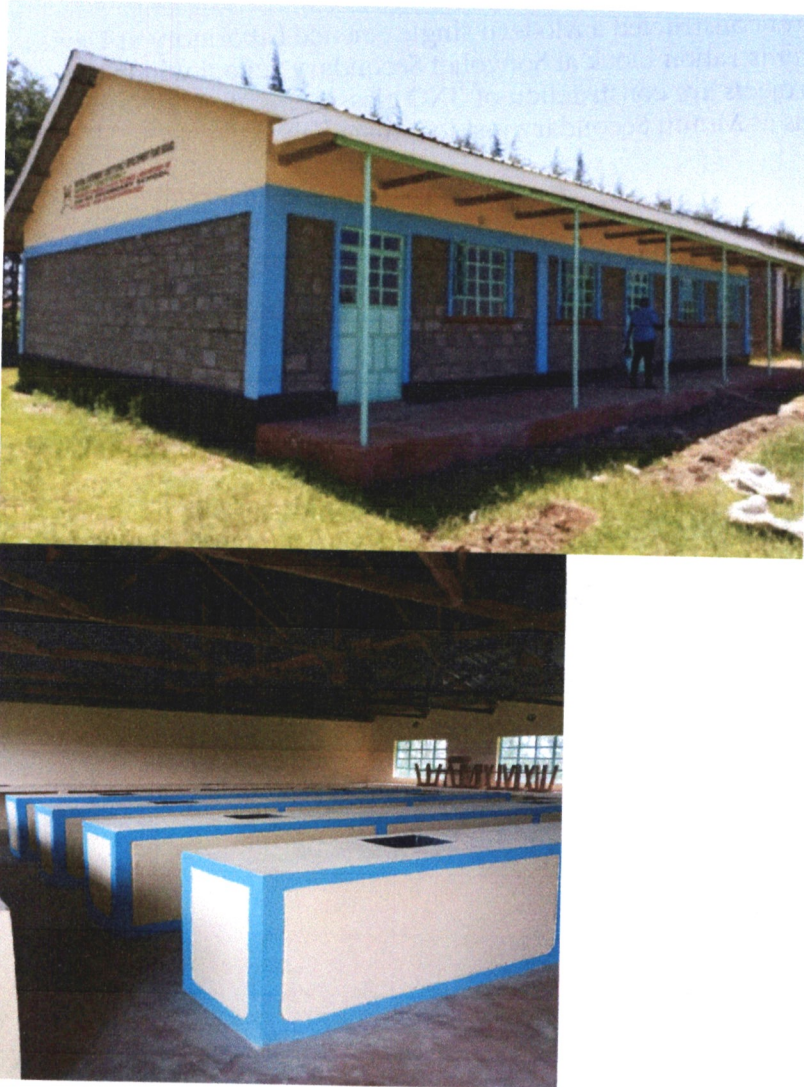


Figure2: completed single Laboratory at Davis Secondary school



Figure 3: Complete 3no. Classroom Mwiruti secondary school

Figure 3 construction of 3 no. Classroom Minuti sec school)

In addition NG-CDF Kapseret funded purchase of 45-52 seater FRR buses for Songoliet secondary and DEB Mutwot secondary. The two buses have been delivered to the schools which has translated to a positive impact on going for education trips and academic tours. the self-esteem of the learners in these schools has been elevated on the pipeline are the Buses to Mwiruti secondary and Ngara falls secondary which are at 90% complete and shall be delivered soon



Figure 1: purchase and commissioning of school bus to DEB Mutwot secondary school



Figure 2: Purchase and commissioning of bus to Songoliet Secondary School

As far as sanitation is concerned, NG-CDF Kapseret constructed modern pit latrines and toilets in various schools. This is in line with the ministry of health protocols on Covid 19. Some of these include Kapkenduiwo Primary, ACK Aturei Primary, Kanetik Primary, Mwiruti, Konyit Primary, and Tuiyoibe Primary among others.

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***



***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

In bursary, NG-CDF Kapseret awarded bursaries to needy students from Kapseret constituency schooling in various institution as a way to cushion parents during this hard times. And to ensure that there is retention of learners in school

Vetting and awarding of bursary in Kapseret is the most transparent and accountable in the region where the electorate are given the mandate to identify the needy and vulnerable cases in the society. In the financial year 2021-22 NG-CDF Kapseret awarded bursaries to a total of 2225 being students in secondary schools comprising of 1060 male and 1165 female respectively. In colleges, that is university and tertiaries institutions a total of 1357 beneficiaries being 658 male and 689 female respectively and 62 beneficiaries in special schools.

A total of 3582 Benefited from the bursary and a total of 104 persons were given NHIF under the social security fund which targeted on the elderly, sick people living with disability and orphans.

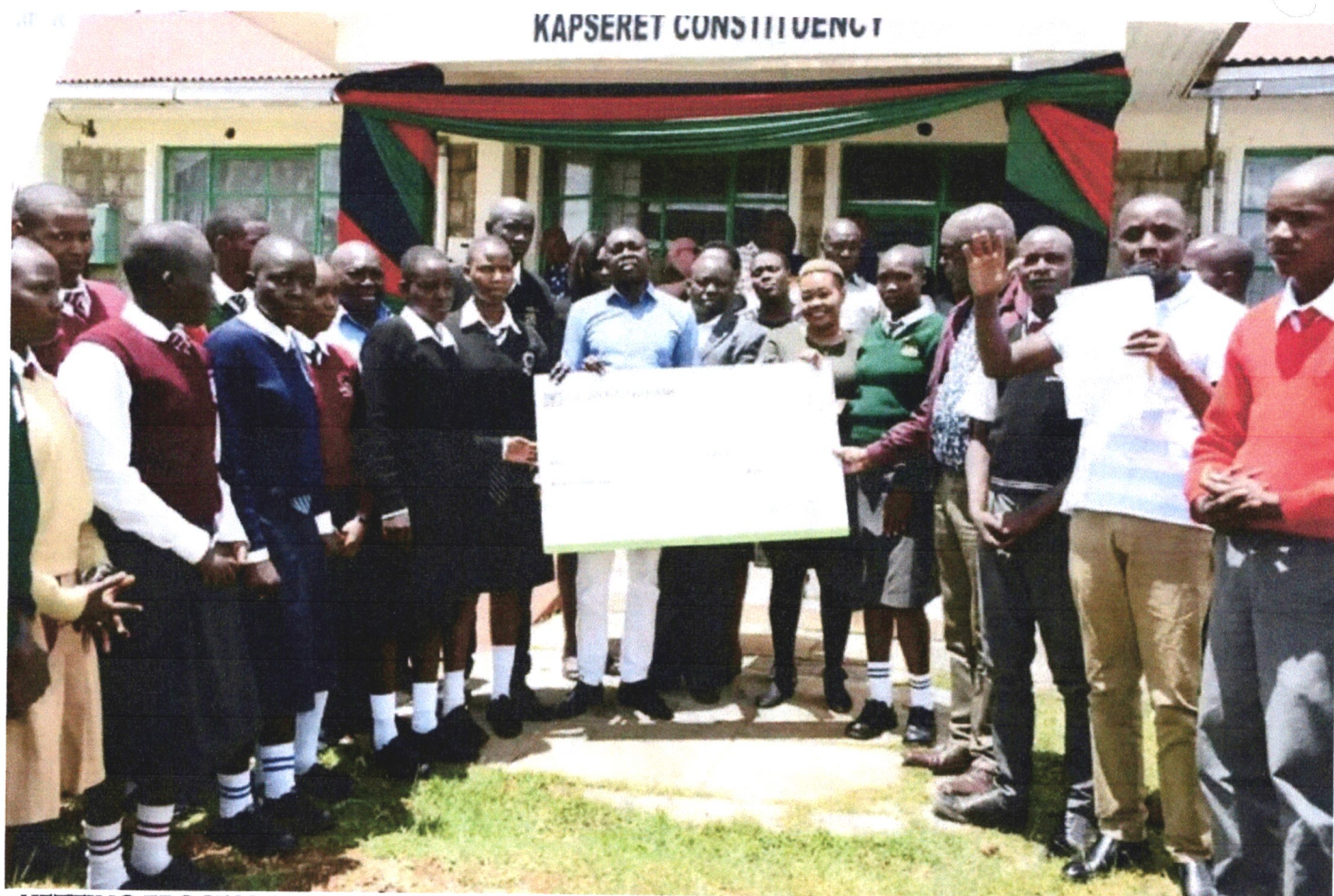


***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***



*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*





VETTING PROCESS AND LUANCH ON DISBURSEMENT OF BURSARY AT THE CONSTITUENCY HEADQUARTERS

NG-CDF Kapseret celebrated success stories of students who passed excellently during the past years Kenya certificate of secondary education. Nadhifa cheptoo scored A at Pangani girls high school and Emilly chepkosgei scored a B Plus at Mama Ngina girls high school. The two are among others were under the full scholarship programme for needy and bright students from humble backgrounds.

Currently, NG-CDF Kapseret is sponsoring 46 students under full scholarship. In Technical and Vocational (TVET) we managed to sponsor full 37 students to pursue various artisan courses at Mugundoi and Cheptarit Youth Polytechnics.

On matters of security NG-CDF Kapseret constructed to completion Pioneer Chiefs camp which has served well the new administrative unites including the ACCs office and Registrar of persons. Megun Chiefs office is ongoing at the roof roof level.



Figure 1: complete chief's office at pioneer chief office



Figure 1: Ongoing construction of assistant chief's office at Megun assistance chief office

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

This has impacted positively on enhancement of security and response. Members of the public can now access services with ease and security has improved since it serves the informal settlement of kipkaren and langas estates.

In sports, NG-CDF Kapseret organized a tournament for youth out of schools as a way of promoting talent in sporting activities such as football and volleyball which attracted 65 teams for football, and 23 teams for volleyball across the 5 wards of Kapseret constituency. We also took the opportunity to sensitize the youth and people on emerging issues such as Drug and Drug abuse, AIDS, need to maintain peace during the electioneering period among other issues.

During these tournaments, all the teams were given sporting equipments such as uniforms, socks, and boots, balls, nets, and the climax was the presentation of awards and medals to the winners.



*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*



Additionally, NG-CDF Kapseret was able to give uniforms, balls and nets to students both in primary and secondary schools within the constituency.



*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*





On matters of environment, our focus for the second year in a row. Environment project of water harvesting of various schools in Kapseret. Since water is life, our focus is to ensure that our learners get clean water for

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***



*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*



- Our strengths in Kapseret Constituency during the implementation of these notable projects include
1. Political good will of the stakeholders under the patronage of the area member of national assembly Hon Oscar KipchumbaSudi.
 2. Support from other relevant government departments such as the regional works departments, supply chain management, and the treasury.
 3. Team work and effectiveness of NG-CDFC members, able and Committed Fund Account Manager, Dedicated members of staff.
 4. Members of the PMCs from our various Institutions are very co-operative and quickly responses and closely supervise and monitor the projects.
 5. Timely disbursement of funds to the constituency by the NGCDF BOARD.

The members of the community also embraced work done by the NG-CDF and participate actively in identifying the projects based on priority. In 2021/2022 financial year, there were very few challenges which in one way or another hindered the progress on the implementation of the projects. These and among others is

***Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

political interference since this is an election year, adverse weather which affected sanitation facilities.

All in all, NG-CDF Kapseret performed its mandate and the achievements are notable and enormous. We have managed to get a qualified audit opinion for three years running meaning that adherence to the act and other relevant laws has brought us this far. We look forward to emerging the best constituency in the region and nationally. We are also committed in strengthening our internal organization to perfection

Long live Kapseret. Long live NG-CDF Board.



.....

**Name : Sammy K. Rutto
CHAIRMAN NG-CDF COMMITTEE**

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

II. Statement Of Performance Against Predetermined Objectives for FY2021/22

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 **Kapseret Constituency 2018-2022** plan are to:

NO.	Strategic issue	Strategic objective	strategies
1	Education	To ensure access to quality education in the constituency	<ul style="list-style-type: none"> • Providing necessary infrastructural facilities. • Provision of bursary to needy and deserving Students. • Engaging other development partners in education.
2	Security	To foster security and safety of the constituents	<ul style="list-style-type: none"> • Acquisition and provision Of facilities. • Encouraging community Policing.
3	Youth & Sports	To harness and promote youth talent development	<ul style="list-style-type: none"> • Promotion of sports in the Constituency. • Sensitizing the youth on Drug use and abuse. • HIV/AIDS prevalence
4	Environment	To promote environmental conservation programmes	<ul style="list-style-type: none"> • Establishing tree planting programme • Support establishment of nurseries • Water harvesting
5	Project Implementation capacity	To strengthen the PMC capacity in project implementation	<ul style="list-style-type: none"> • Capacity building • Developing a consistent Technical support system.
6	ICT and Communication	To enhance public information on constituency development projects	<ul style="list-style-type: none"> • Provide a platform for utilisation of information technology and dissemination of Information.

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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
ICT and Communication	To enhance public information on constituency development projects	Increased public awareness on constituency development projects. Increase dissemination of information among the public.	Number of people interacting with the website and Online feedbacks On the developments projects. Number of computers and quality of system installed.	Number of computers in Kapseret NGCDF office was Increased 12. Availability of internet services and provision of communication services among staff and public access line.
Education	To ensure access to quality education in the constituency.	Develop and enhance schools infrastructure facilities. Increase enrolment and number of students completing Schools and tertiary colleges.	Number of usable physical infrastructure built in primary and secondary. Number of students completed school on bursary both secondary and tertiary.	Number of classrooms both primary and secondary constructed increased from 36 to 79. Number of renovated classrooms increased from 32 to 89. Number of desks purchased in primary and secondary schools increased to 1795. Number of science laboratories

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Constituency Program	Objective	Outcome	Indicator	Performance
				constructed increased to 3.
Security	To foster security and safety of the constituents.	To acquire and improve facilities.	Number of pieces of land purchased. Number of sub-chiefs' offices constructed.	Number of lands purchased total has increased to 6 acres. Number of sub-chiefs' offices constructed totalling to 6.
Project Implementation Capacity	To strengthen the PMC capacity in project implementation	To establish training for PMCs and improve capacity building for projects implementation.	Establishment of feedback from PMCs. Reduced outcomes of cases with non-compliance to policies.	Number of feedbacks from PMCs increased. The NG-CDFC carried out benchmarking in the coastal region learn more and improve on project implementation for PMC.
Environment	To promote environmental conservation programmes.	To establish tree planting programmes in schools and identify tree planting days.	Number of tree planting days. Number of schools established with nurseries.	Number of days for tree planting programme were 2 days. Enhance tree planting to schools and water harvesting to 15 schools.
Sports	To harness and promote youth talent development	To equip and provide logistics needed and landscaping of playing grounds.	Number of schools with playing ground landscaped.	Number of schools benefitting from sports programme increased from 22 to 39.

III. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Kapseret 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 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- *NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

3. Employee welfare

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

Kapseret 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-

Kapseret 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.

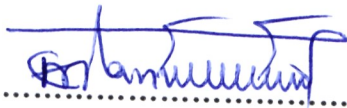
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



Mathew K. Tanui
Fund Account Manager

IV. 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-Kapseret 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, 2022. 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.

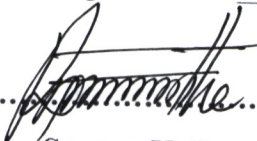
The Accounting Officer in charge of the NGCDF- Kapseret Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kapseret 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.

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

The Accounting Officer in charge of the NGCDF Kapseret 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.

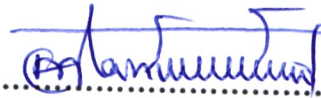
Approval of the financial statements

The NGCDF- KAPSERET Constituency financial statements were approved and signed by the Accounting Officer on 22/9/ 2022.


.....

Name: Sammy K. Rutto

Chairman – NGCDF Committee

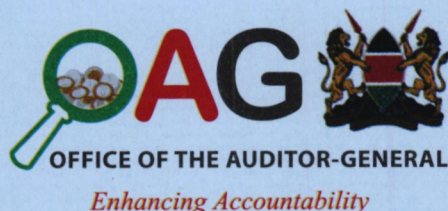

.....

Name: Mathew K. Tanui

Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KAPSERET CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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

The accompanying financial statements of National Government Constituencies Development Fund - Kapseret Constituency set out on pages 1 to 39, which comprise of

the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information have been audited on my behalf by Nelson and Francis LLP auditors appointed under Section 23 of the Public Audit Act, 2015. The auditors have duly reported to me the results of their audit and on the basis of their report, I am satisfied that all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit were obtained.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kapseret Constituency as at 30 June, 2022, 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 Finance Management Act, 2012.

Basis for Qualified Opinion

1. Wrong Comparative Amounts

The financial statements reflect wrong comparative amounts resulting to an unexplained variance as detailed below:

Item	Comparative Amounts (Kshs.)	Prior Year Audited Amounts (Kshs.)	Variance (Kshs.)
Annex 4 – Summary of Fixed Assets Register			
Land	0	4,000,000	4,000,000
Note 17.4 – PMC Account Balances			
PMC Account Balances	33,765,193	30,597,947	3,167,246

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

2. Unconfirmed Project Management Committee Bank Balances

Note 17.4 to the financial statements discloses Project Management Committee (PMC) bank balances totalling Kshs.59,466,787 in respect of funds disbursed to PMCs which remained unutilized as at 30 June, 2022 and which were further analyzed in Annex 5. However, cash books, closing bank balance and bank reconciliation statements were not provided for audit.

In the circumstances, the existence, accuracy and completeness of the Project Management Committee bank balances of Kshs.59,466,787 could not be confirmed.

3. Lack of Land Ownership Documents

The statement of receipts and payments reflects transfers to other Government units of Kshs.111,250,447 as disclosed in Note 6 to the financial statements. The amount includes Kshs.1,000,000 incurred on purchase of a parcel of land which were not supported by land ownership documents including title deeds.

In the circumstances, the ownership of land purchased at Kshs.1,000,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kapseret 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

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management has not resolved the issues and this is contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Law on Staff Ethnic Composition

Review of personnel records revealed that the Fund had a staff establishment of five (5), while interns and casual workers totalled seven (7), 72% of which were from the dominant community. This is contrary Section 7(2) of the National Cohesion and Integration Act, 2008 which requires that no public establishment shall have more than one third of its staff from the same ethnic community.

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

2. Failure to Recover Income Tax from Committee Allowances

The statement of receipts and payments reflects an amount of Kshs.10,011,322 in respect of use of goods and services out of which Kshs.3,979,600 relates to committee allowances as disclosed in Note 5 to the financial statements. However, Pay As You Earn (PAYE) was not deducted and remitted to Kenya Revenue Authority as required under the Income Tax Act, Cap 470.

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

3. Irregular Procurement of Furniture and Fittings

The statement of receipts and payments reflects other grants and transfers amount of Kshs.72,029,635 which as disclosed under Note 7 to the financial statements, includes Security Projects amount of Kshs.5,767,526.

During the year under review, Kshs.200,000 was transferred to the Project Management Committee (PMC) for purchase of furniture for Pioneer Chief's office. However, documents supporting the procurement such as use of requisition, quotation opening register, quotation opening minutes, evaluation minutes, inspection and acceptance report were not provided for audit.

In addition, the award was made to non-prequalified supplier contrary to Section 95(3) of the Public Procurement and Asset Disposal Act, 2015 which states that a procuring entity shall invite tenders from approved persons who have been pre-qualified.

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

4. Non-Acknowledgement of Bursaries

The statement of receipts and payments reflects other grants and transfers amount of Kshs.72,029,635 which includes bursaries to secondary schools, tertiary institutions and special schools amounting to Kshs.46,691,601 as disclosed under Note 7 to the financial statements. However, acknowledgement letters and receipts from the various beneficiary institutions that received funds to support the bursary payments were not provided for audit.

In the circumstances, it was not possible to confirm whether the funds disbursed for bursaries were received and used for the intended purposes.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Risk Management Policy

The Fund did not have in place a risk management policy, risk management strategies and a system of risk management to enable them develop appropriate strategies to deal with various risks that may lead to losses and improve on effective and efficient management of public resources.

2. Failure to Automate Processes

The Fund utilized manual system as its main way of recording transactions and in some instances excel systems noting a lot of human involvement in a number of activities that ought to have been fully automated which are key to system efficiency.

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

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

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

The 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 controls 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 November, 2023

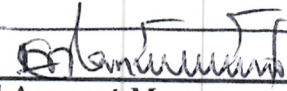
Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

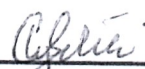
VI. Statement Of Receipts and Payments for the Year Ended 30th June 2022

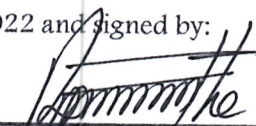
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	101,000	195,000
Total Receipts		182,278,758	161,562,724
Payments			
Compensation Of Employees	4	4,083,963	3,306,139
Use Of Goods and Services	5	10,011,322	8,616,756
Transfers To Other Government Units	6	111,250,447	82,923,394
Other Grants and Transfers	7	72,029,635	47,952,099
Acquisition Of Assets	8	1,977,409	2,507,078
Other Payments	9	-	-
Total Payments		199,352,776	145,305,466
Surplus/(Deficit)		(17,074,017)	16,257,258

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

The Constituency financial statements were approved on 22/9/2022 and signed by:


 Fund Account Manager


 National Sub-County
 Accountant


 Chairman NG-CDF
 Committee

Name: Mathew K. Tanui

Name: Lydia Chepsoi
 ICPAK M/No:27713

Name: Sammy K. Rutto

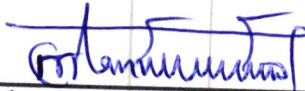
Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

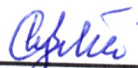
VII. Statement of Assets and Liabilities As At 30th June, 2022

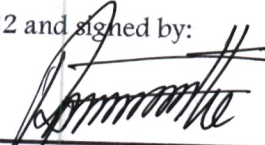
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	8,384,993	25,748,039
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		8,384,993	25,748,039
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		8,384,993	25,748,039
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	167,108
Gratuity	12B	125,684	247,604
Total Financial Liabilities		125,684	414,712
Net Financial Assets		8,259,310	25,333,327
Represented By			
Fund Balance B/Fwd	13	25,333,327	9,076,069
Prior Year Adjustments	14	-	
Surplus/Deficit for The Year		(17,074,017)	16,257,258
Net Financial Position		8,259,310	25,333,327

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

The Constituency financial statements were approved on 22/9/2022 and signed by:


 Fund Account Manager


 National Sub-County
 Accountant


 Chairman NG-CDF
 Committee

Name: Mathew K. Tanui

Name: Lydia Chepsoi
 ICPAK M/No:27713

Name: Sammy K. Rutto

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

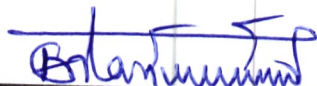
VIII. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2021	2020 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Other Receipts	3	101,000	195,000
Total Receipts		182,278,758	161,562,724
Payments			
Compensation Of Employees	4	4,083,963	3,306,139
Use Of Goods and Services	5	10,011,322	8,616,756
Transfers To Other Government Units	6	111,250,447	82,923,394
Other Grants and Transfers	7	72,029,635	47,952,099
Other Payments	9	-	-
Total Payments		197,375,367	142,798,388
Total Receipts Less Total Payments		(15,096,609)	18,764,336
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	(289,028)	414,712
Prior Year Adjustments	14	-	-
Net Adjustments		(289,028)	414,712
Net Cash Flow from Operating Activities		(15,385,637)	19,179,048
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(1,977,409)	(2,507,078)
Net Cash Flows from Investing Activities		(1,977,409)	(2,507,078)
Net Increase In Cash And Cash Equivalent		(17,363,046)	16,671,970
Cash & Cash Equivalent At Start Of The Year	13	25,748,039	9,076,069
Cash & Cash Equivalent At End Of The Year	10A	8,384,993	25,748,039

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

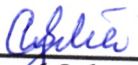
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 22/9/ 2022 and signed by:



Fund Account Manager

Name: Mathew K. Tanui



National Sub-County
Accountant

Name: Lydia Chepsoi
ICPAK M/No:27713



Chairman NG-CDF
Committee

Name: Sammy K. Rutto

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

IX. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
Receipts							
Transfers From NGCDF Board	Kshs 137,088,879	Kshs 25,748,039	Kshs 45,088,879	Kshs 207,925,797	Kshs 207,925,797	Kshs 0	0.0%
Proceeds From Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	101,000	-	101,000	101,000	-	100.0%
Totals	137,088,879	25,849,039	45,088,879	207,772,797	208,026,797	0	100.1%
Payments							
Compensation Of Employees	2,810,120	1,792,440	-	4,602,560	4,083,963	518,597	88.7%
Use Of Goods and Services	8,771,879	1,449,513	-	10,221,392	10,011,322	210,069	97.9%
Transfers To Other Government Units	70,550,447	10,449,200	30,250,800	111,250,447	111,250,447	-	100.0%
Other Grants and Transfers	54,200,433	10,394,387	14,838,079	79,432,899	72,029,635	7,403,264	90.7%
Acquisition Of Assets	756,000	1,408,500	-	2,164,500	1,977,409	187,091	91.4%
Other Payments	-	-	-	-	-	-	#DIV/0!
Funds Pending Approval**	-	355,000	-	355,000	-	355,000	0.0%
Totals	137,088,879	25,849,039	45,088,879	208,026,797	199,352,776	8,674,022	95.8%

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022


COMMENTARY ON BUDGET UTILISATION

- (a) The adjustments of Kshs. 70,937,918 resulted from unutilized funds at the beginning of the year which were available for use in the current financial year.
- (b) Funds pending approval are sums not yet approved by the board for utilisation and include AIA not yet allocated for use in projects.
- (c)

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	
Less undisbursed funds receivable from the Board as at 30 th June 2022	8,674,022
	0
Add Accounts payable	8,674,021
Less Accounts Receivable	-289,028
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	8,384,993


The Constituency financial statements were approved on 22/9/2022 and signed by:


Fund Account Manager

Name: Mathew K. Tanui


National Sub-County Accountant

Name: Lydia Chepsoi
ICPAK M/No:27713


Chairman NG-CDF Committee

Name: Sammy K. Rutto

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis (d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,810,120	1,792,440		4,602,560	4,083,963	518,5967
1.2 Committee allowances	2,100,000	100,633		2,200,633	2,119,342	81,291
1.3 Use of goods and services	2,559,213	3,087		2,562,300	2,560,238	2,062
Total	7,469,333	1,896,160	0	9,365,493	8,763,543	601,950
2.0 Monitoring and evaluation						
2.1 Capacity building	1,412,666	339,882		1,752,548	1,690,000	62,548
2.2 Committee allowances	1,900,000	497,560		2,397,560	2,352,500	45,060
2.3 Use of goods and services	800,000	508,351		1,308,351	1,289,242	19,109
Total	4,112,666	1,345,792	0	5,458,459	5,331,742	126,717
3.0 Emergency						
3.1 Primary Schools	3,500,000	397,078		7,600,000	7,600,000	~
3.2 Secondary schools		408,000	3,702,922	408,000	408,000	~
3.3 Tertiary institutions						~
3.4 Security projects		650,000	0	650,000	650,000	~

Kapsereit Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Legetet Primary School			200,000		200,000	200,000		
Kimalel Primary School	1,988,786		1,700,000		3,688,786	3,688,786		
St, Johns Kabongo Primary School	191,650		1,700,000		1,891,650	1,891,650		
Songoliet Primary School	464,200				464,200	464,200		
Nairiri Primary School	904,800				904,800	904,800		
Kilabet Primary School	351,470				351,470	351,470		
Mutwot Primary School	378,250				378,250	378,250		
Ngarafalls Primary School	150,000				150,000	150,000		
Ochermina Primary School	200,000				200,000	200,000		
St Ann School Simat Primary School	1,120,145				1,120,145	1,120,145		
Kosyin Ngara Primary School	981,162				981,162	981,162		
St Marys Chelabal Primary School	1,500,000				1,500,000	1,500,000		
Total	21,727,583	10,000,000	17,600,000	49,327,583	49,327,583	49,327,583		
8.0 Secondary Schools Projects								
Kosirai Secondary School			1,500,000		1,500,000	1,500,000.00		
Kipkaren Road Secondary School	100,000	449,200	3,000,800		3,550,000	3,550,000.00		
Mwiruti Secondary School	9,762,300		1,300,000		11,062,300	11,062,300.00		
Davies Secondary School	804,780		900,000		1,704,780	1,704,779.89		
Deb Mutwot Secondary School	10,176,294		4,350,000		14,526,294	14,526,294.00		
Songoliet Secondary School	10,619,345		350,000		10,969,345	10,969,345		
Lemook Secondary School			400,000		400,000	400,000.00		

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Simat Secondary School	3,500,000		850,000	4,350,000	4,350,000.00			
AIC Chepyakwai Secondary School	200,360			200,360	200,360.00			
Kiamba Secondary School	347,485			347,485	347,485.00			
Jasho Secondary School	3,300,000			3,300,000	3,300,000.00			
ACK Aturei Secondary School	250,000			250,000	250,000.00			
Ngaratalls Secondary School	9,762,300			9,762,300	9,762,300.00			
Total	48,822,864	449,200	12,650,800	61,922,864	61,922,864			
9.0 Tertiary institutions Projects								
Total			0					
10.0 Security Projects								
Megun Assistant Chiefs Office			1,500,000	1,500,000	1,500,000			
Kaplelach Police Station			2,400,000	2,400,000	2,400,000			
Langas Police Station	667,526			667,526	667,526			
Pioneer Chiefs Office		500,001	200,000	700,001	700,000			1
Kapseret Sub-County DCC's Office			200,000	200,000	200,000			
Ngeria Chiefs Office			150,000	150,000	150,000			
Chepkatet Chiefs Office			150,000	150,000	150,000			
Total	667,526	500,001	4,600,000	5,767,527	5,767,526			1
11.0 Acquisition of assets								
Purchas of furniture	406,000			406,000	472,405			27,070
Purchase of ICT equipments	350,000	2,137	0	352,137	349,000			3,137
NG-CDF Office		1,345,089		1,345,089	1,156,004			189,085

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Motorbike	-	60,000	0	60,000	-	60,000
NG-CDF Vehicle	-	1,274	0	1,274	-	1,274
Total	756,000	1,408,500	0	2,164,500	1,977,409	280,566
12.0 electricity project						
12.1 Kolbasui water borehole three phase installation		250,042		250,042.00		250,042.00
Total		250,042	0	250,042.00	-	250,042.00
13.0 Other payments						
Total						
13.0 unallocated fund						
Unapproved projects						
AIA		355,000		355,000		
PMC savings						
Total	-	355,000	0	355,000	-	355,000
	137,088,879	25,849,039	45,088,880	208,026,797	199,352,776	8,674,022

(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)

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-Kapseret 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 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.

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 June 2021 for the period 1st July 2021 to 30th June 2022 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 2022.

Significant Accounting Policies continued

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.

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B096923		15,000,000
AIE NO. A823532		35,367,724
AIE NO. B104612		19,000,000
AIE NO. B124540		9,000,000
AIE NO. B124970		8,500,000
AIE NO. B119825		12,000,000
AIE NO. B128115		6,900,000
AIE NO. B128427		7,000,000
AIE NO. B132171		6,000,000
AIE NO. B138839		12,000,000
AIE NO. B126134		7,000,000
AIE NO. B126424		11,600,000
AIE NO. B140570		12,000,000
AIE NO. B140919	33,000,000	
AIE NO. B105455	44,000,000	
AIE NO. B105794	22,000,000	
AIE NO. B128531	5,000,000	
AIE NO. B128851	12,000,000	
AIE NO. B154040	17,000,000	
AIE NO. B164482	37,088,879	
AIE NO. B155956		

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

	12,088,879	
TOTAL	182,177,758	161,367,724

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	101,000	195,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	101,000	195,000

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,644,168	1,759,729
Personal allowances paid as part of salary		
House Allowance	505,500	445,500
Transport Allowance	276,000	232,000
Leave allowance	24,000	20,000
Gratuity to contractual employees	554,375	693,390
Employer Contributions Compulsory national social security schemes	79,920.00	155,520
Total	4,083,963	3,306,139

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	3,979,600	3,033,800
Utilities, supplies and services	240,067	696,855
Communication, supplies and services	392,792	586,937
Domestic travel and subsistence	257,800	429,800
Printing, advertising and information supplies & services	30,000	290,700
Rentals of produced assets	232,216	
Training expenses	1,827,300	1,720,400
Hospitality supplies and services	870,621	500,370
Other committee expenses	348,942	-
Committee allowance	-	-
Insurance costs	-	-
Specialized materials and services	336,000	121,360
Office and general supplies and services	480,094	589,437
Other operating expenses	227,734	73,911
Fuel, oil & lubricants	742,432	
Routine maintenance – vehicles and other transport equipment		573,186

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Routine maintenance – other assets	45,724	
Total	10,011,322	8,616,756

Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	49,327,583	49,784,464
Transfers To Secondary Schools (See Attached List)	61,922,864	33,138,930
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	111,250,447	82,923,394

7. Other Grants and Other transfers

Description	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	26,985,057	18,739,299
Bursary – tertiary institutions (see attached list)	19,033,544	17,787,832
Bursary – special schools (see attached list)	673,000	464,000
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	2,466,000	
Security projects (see attached list)	5,767,526	1,973,124
Sports projects (see attached list)	4,823,158	2,177,750
Environment projects (see attached list)	3,623,350	1,906,352
Emergency projects (see attached list)	8,658,000	4,903,742
Total	72,029,635	47,952,099

8. Acquisition Of Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	1,156,004	1,671,078
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	472,405	600,000
Purchase of ICT Equipment, Software and Other ICT Assets	349,000	236,000

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	1,977,409	2,507,078

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
Co-operative Bank, Account number; 01141443517600.	8,384,993	25,748,039
Total	8,384,993	25,748,039
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>	-	-

11: Outstanding Imprests

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

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Total		-	-	-

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

Notes to the Financial Statement Continued

12A. Retention

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	167,108	-
Retention held during the year (B)	105,400	167,108
Retention paid during the Year (C)	272,508	-
Closing Retention as at 30 th June D= A+B-C	-	167,108

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	247,604	247,604
Gratuity held during the year (B)	457,956	-
Gratuity paid during the Year (C)	579,876	-
Closing Gratuity as at 30 th June D= A+B-C	125,684	247,604

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	25,748,039	9,076,069
Cash in hand	-	-

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Imprest	-	-
Total	25,748,039	9,076,069

[Provide short appropriate explanations as necessary]

14. Prior Year Adjustments

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

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	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	-	-
Changes in Account Receivables E= D-A	-	-

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	680,697	265,985
Deposit and Retentions held during the year (B)	563,356	730,251

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Deposit and Retentions paid during the Year (C)	852,384	315,539
closing account payables D= A+B-C	391,668	680,697
Changes in Accounts Payable E= D-E	(289,028)	414,712

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff		
Others (<i>specify</i>)	391,668	513,589
Total	391,668	513,589

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	518,597	1,544,836
Use of goods and services	210,069	1,449,513
Amounts due to other Government entities (see attached list)		42,700,000
Amounts due to other grants and other transfers (see attached list)	7,403,264	23,232,466
Acquisition of assets	187,091	1,241,392
Funds pending approval	355,000	254,000
Total	8,674,022	70,422,207

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	59,466,787	33,765,193
Total	59,466,787	33,765,193

Kapsreret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022
XIII .Annexes
Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
Construction of buildings	a	b	c	d=a-c	
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDPC Staff				
1. SHARON AYOMA	Accounts Assistant	1st February 2014	-	
2. JULIUS KABIANGA	Records Officer	2nd June 2014	197,309	
3. PHILEMON BETT	Clerical officer	4th June 2018	-	
4. ELVIS KIBIWOTT	Driver	1st November 2019	103,871	
5. JANE KURGAT	Support Staff	4th June 2018	-	
6. ELIUD TABUT	Clerk of works	1st August 2021	90,489	
Sub-Total			391,668	
Grand Total			391,668	

Kapserei Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
Compensation of employees				
Use of goods & services		518,597	1,544,836	
Amounts due to other Government entities primary projects		210,069	1,449,513	
		728,666	2,994,349	
ACK Aturei Primary School	Renovation of 17 classrooms to completion	-	27,600,000	
Kingwal Primary School	Purchase of furniture	-	1,000,000	
Ochemina Primary School	Purchase of furniture	-	200,000	
Kipkaren Primary School	Additional funds for Construction of a storey building of 12 classrooms	-	200,000	
Langas Primary School	Additional funds for Construction of a storey building of 12 classrooms	-	10,000,000	
St.Johns Kabongo Primary School	Construction of two classrooms to completion.	-	10,000,000	
Kosirai Primary School	Renovation of 8 classrooms to completion	-	1,700,000	
Kanetik Primary School	Construction of 3 door boys pit latrine with urinal to completion.	-	700,000	
Tuiyobei Primary School	Electrical wiring for 12 classrooms to completion.	-	500,000	

Kapsiret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Konyit Primary School	Construction of 2 doors boys' pit latrine and urinal to completion.	-	500,000	
Kimalel Primary School	Construction of two classrooms to completion.	-	1,700,000	
Legetet Primary School	Purchase of furniture	-	200,000	
Kolbasui Primary School	Purchase of furniture	-	200,000	
secondary projects		-	15,100,000	
Kipkaren Secondary School	Construction of 60 students capacity single science laboratory to completion	-	3,000,000	
Deb Mutwot Secondary School	Construction of 90 students capacity girls dormitory to completion and construction of one classroom to completion.	-	4,350,000	
Simat Secondary School	Construction of one classroom to completion.	-	850,000	
Kosirai Secondary School	Construction of one bedroomed principal's house to completion	-	1,500,000	
Songoliet Secondary School	Purchase of two acres land and purchase of furniture	-	2,350,000	
Lemock Secondary School	Purchase of 40 steel double decker beds.	-	400,000	
Mwiruti Secondary School	Construction of 2 door teachers pit latrine with urinal to completion.	-	450,000	
Davies Secondary School	Completion of 60 students capacity single laboratory	-	900,000	

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

tertiary institutions	Sub-Total	0	-	42,700,000	-
Amounts due to other grants and other transfers					
Electricity projects	7,403,264			18,132,466	
Emergency projects	250,042			250,042	
Sports activity	3,701,994			5,167,787	
Bursary tertiary	14,860			2,747,318	
Bursary secondary	92,199			2,884,975	
Special Bursary	26,988			1,818,814	
Social Security	13,000			86,000	
Environment projects	3,300,000			3,000,000	
Security projects	4,180			2,177,530	
Kaplelach Police Station	1			5,100,001	
Megun Assistant Chief's Office				2,400,000	
Langas Police station				1,500,000	
Pioneer Chiefs Office				1	
				700,000	
Kapseret Subcounty Dec's Office				200,000	
				150,000	

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Nigeria Chiefs Office		Purchase of furniture		150,000	
Chepkatet Chiefs Office		Purchase of furniture	7,403,264	23,232,466	
purchase of vehicle					
furniture			1,274	1,274	
Purchase of computers and other ICT equipments			(66,405)		
office refurbishment			3,137	2,137	
Purchase of motor bike			189,085	1,177,981	
Sub-Total			60,000	60,000	
Others (<i>specify</i>)			187,091	1,241,392	
Funds pending approval					
			355,000	254,000	
Sub-Total			355,000	254,000	
Grand Total			8,674,022	70,422,207	

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures				
Transport equipment	5,671,078	1,156,004	-	6,827,082
Office equipment, furniture and fittings	11,088,727	-	-	11,088,727
ICT Equipment, Software and Other ICT Assets	1,536,643	472,405	-	2,009,048
Other Machinery and Equipment	2,087,990	349,000	-	2,436,990
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	20,384,438	1,977,409	-	22,361,847

*Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number	Bank Balance 2021/2022	Bank Balance 2020/2021
Langas Primary School	Co-operative Bank	1,141,672,996,000	1,469,125	5,129,088
Kanetik Primary School	Co-operative Bank	1,139,674,456,600	176,042	126,397
Ngarafalls Primary School	Co-operative Bank	1,141,672,528,400	38,827	4,401
Kabongwa Primar School	Co-operative Bank	1,141,441,086,800		968,239
Aturei Adventist day & boarding school	Co-operative Bank	1,141,674,221,700	-	1,616,851
St Anne Primary School Simat	Co-operative Bank	1,141,674,247,000	394,023	600,054
Nairiri Primary School	Co-operative Bank	1,141,761,705,700	421,924	2,456,325
Belekenya Primary School	Co-operative Bank	1,141,674,146,600	145,000	
Kosyin Negara Primary school	Co-operative Bank	1,141,673,092,700	964,195	177,349
Kasperet Primary School	Co-operative Bank	1,139,045,198,201	128,000	
Nandi Gaa Primary School	Co-operative Bank	1,141,598,408,601	128,000	
Chepyakwai primary School	Co-operative Bank	1,139,672,002,400		3,030
Jasho Primary school	Co-operative Bank	1,141,673,980,800		1,687,569
A.I.C Tuiyobei Primary School	Co-operative Bank	1,141,674,221,000	1,493,922	240,721
Ngeria Primary School	Co-operative Bank	1,141,674,389,000	253,251	
Nganiat Primary School	Co-operative Bank	1,141,673,100,100	128,000	1,074,973
Ochemina Primary School	Co-operative Bank	1,139,046,523,701	151,914	2,314
Lemook Primary School	Co-operative Bank	1,141,443,869,000	128,200	200
A.I.C Mutwot Primary school	Co-operative Bank	1,139,046,739,301	189,841	235,035
Kimalal Primary School	Co-operative Bank	1,141,674,337,000	2,246,798	178,995
Kapkgaron Primary school	ABC Bank	5,215,001,002,293		826,856
Kapkenduiwo Primary School	Co-operative Bank	1,141,443,996,200	338,395	444,503
Kibabet Primary School	National Bank	1,024,027,782,501	91,977	290,970

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Songoliet Primary School	National Bank	1,024,028,215,701	177,614	277,783
Kipkaren Road Primary School	Equity Bank	1,090,299,149,267	15,041,928	4,410,393
St Marys Chelabal Primary School	Equity Bank	1,090,297,360,171	1,544,133	36
Kapinga Primary School	Equity Bank	1,090,262,605,801	630,380	
Kimuri	Equity Bank	1,090,299,757,831		636,785
Konyit Primary School	Sidian Bank	1,008,030,000,596	167,352	
Koibasui Primary School	Sidian Bank	1,008,030,013,329	219,690	
Legetet Primary School	Sidian Bank	1,008,030,007,752	235,326	137,397
St John Kabongo Primary School	Family Bank	85,000,068,843	3,927,935	482,800
St. James Leberio Primary school	National Bank	1,024,029,133,901		933,417
Gitwe Primary School	National Bank	1,024,027,686,001		423,760
Kingwal Primary School	ABC Bank	5,215,001,001,168	3,383	1,050
Inder Primary School	Sidian Bank	1008030000847		555,373
Kipkaren AIRPORT Primary School	Equity Bank	1090299158371		1,311,426
ACK Aturei Primary School	KCB Bank	1,136,513,779	827,993	1,000,050
A.I.C Kosirai Primary School	Co-operative Bank	1,141,443,630,400	89,658	
St Georges Sinendet Primary School	Sidian Bank	01 008030005903	145,000	
ACK St Barnabas Kipkenyo	Co-operative Bank	1,141,672,460,300		1,026,401
Ngarafalls Secondary School	Co-operative Bank	1,141,086,651,900	4,900,011	
A.I.C Chepyakwai Secondary School	Co-operative Bank	1,141,443,634,400	100,517,05	
DEB Mutwot Secondary School	Co-operative Bank	1,141,086,776,003	1,893,809	943,744
Kipkaren Road Secondary School	Co-operative Bank	1,141,761,684,600	2,700,127	3,167,854
Kiamba Secondary School	Co-operative Bank	1,141,672,534,100	242,748	235,690
Songoliet Secondary School	National Bank	1,025,082,575,502	4,874	
Tuiyo Secondary School	National Bank	1,022,028,257,300	146,715	1,715
A.I.C Lemook Secondary School	National Bank	1,025,027,502,602	4,000	
Davies Secondary School	National Bank	1,025,029,665,003	2,432,071	1,591,463

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Jasho Secondary School	Equity Bank	0 300280520075	1,208,408	9
Koros Secondary School Chemina	Family Bank	85,000,003,280	34	
ACK Aturei Secondary School	KCB Bank	1,136,514,279	435,004	
Simat High School	National Bank	1,021,028,199,200	3,604,642	
A.I. C Kosirai Secondary School	Co-operative Bank	1,141,440,440,600	361,282	
Mwiruti Secondary School	National Bank	1,022,226,239,400	5,337,246	
Langas Police Station	Co-operative Bank	1,141,761,027,200	487,680	66,075
Langas DCIO	Co-operative Bank	1,141,958,693,600	154,585	1,525
Ngeria Location Chiefs Office	Co-operative Bank	1,141,958,692,600	46,606	
Megun Assistant Chiefs Office	Co-operative Bank	1,141,443,972,900		175
Megun Chiefs Office	Co-operative Bank	1141958917700	148,975.00	
Chepkatet chief's office	Co-operative Bank	1141674,222,900	681,157	
Pioneer Chiefs Office	Co-operative Bank	1141958809300	2,328,475	496,403
Kaplelach Police Post	Co-operative Bank		150,000	
Chepkatet chief's office	Co-operative Bank		200,000	
Kapseret subcounty DCC'S Office	Co-operative Bank	1141958928500		
TOTAL			59,466,787	33,765,193

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

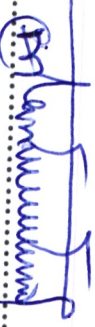
Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0 Project Management Committee Account Balances	<p>Note 17.4 to the financial statements reflects project management committee (PMC) account balances of Kshs. 30,597,947 in respect of funds disbursed to PMCs which remained unutilized as at 30 June, 2021 and which are further analyzed in Annex 5 to the financial statements. However, Management did not provide bank reconciliation statements and cashbooks in support of the balances.</p>	<p>The management ensures that project funds are utilized for the intended purpose within reasonable time except when there is delay of funds disbursed from the Board. The Board and the NG-CDPC Kapseret are working together to ensure that project management committee utilize the funds and through trainings know how to prepare of bank statement and cashbook. Attached are the bank statements, bank reconciliation statements and cashbook to confirm</p>	Not Resolved	

Kapseret Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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)
	account balances of Kshs. 30,597,947 as at 30 June, 2021 could not be confirmed.	PMC balances.		



 Mathew K. Tarnui
 Fund Account Manager.
