

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY

REPORT

DATE: 21 JUN 2023

WED

TABLED
BY:

Hon Kimani, Chungwah, MP
leader, Majority

CLERK AT
THE TABLE:

Enlay MUKULI

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – KESSES CONSTITUENCY**

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



KESSES CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

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

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(c) Fiduciary Management

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	Gloria Mwasi
2.	Sub-County Accountant	Mary Waa
3.	Chairman NGCDFC	John Busienei
4.	Member NGCDFC	Ursulla Jepwambok

(d) Fiduciary Oversight Arrangements

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

P.O. Box 6742 - 30100
NG CDF Building
Kesses Sub county Headquarters
Eldoret, KENYA

(f) Kesses Constituency NGCDF Contacts

Telephone: (254) 777674200
E-mail: cdfkesses@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Kesses Constituency NGCDF Bankers

Cooperative Bank of Kenya
Eldoret Nakuru Highway
P.o Box 2948
Eldoret, Kenya

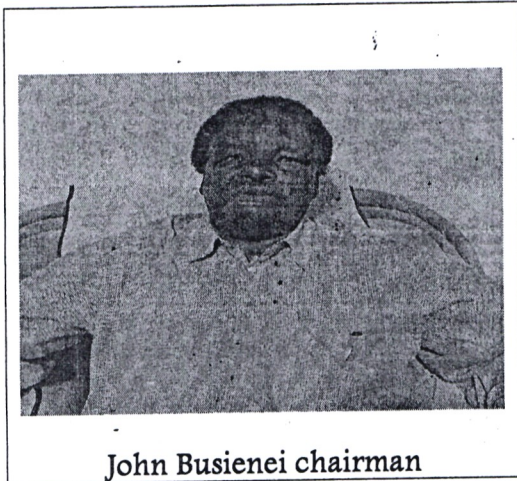
(h) Independent Auditors

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

(i) Principal Legal Adviser

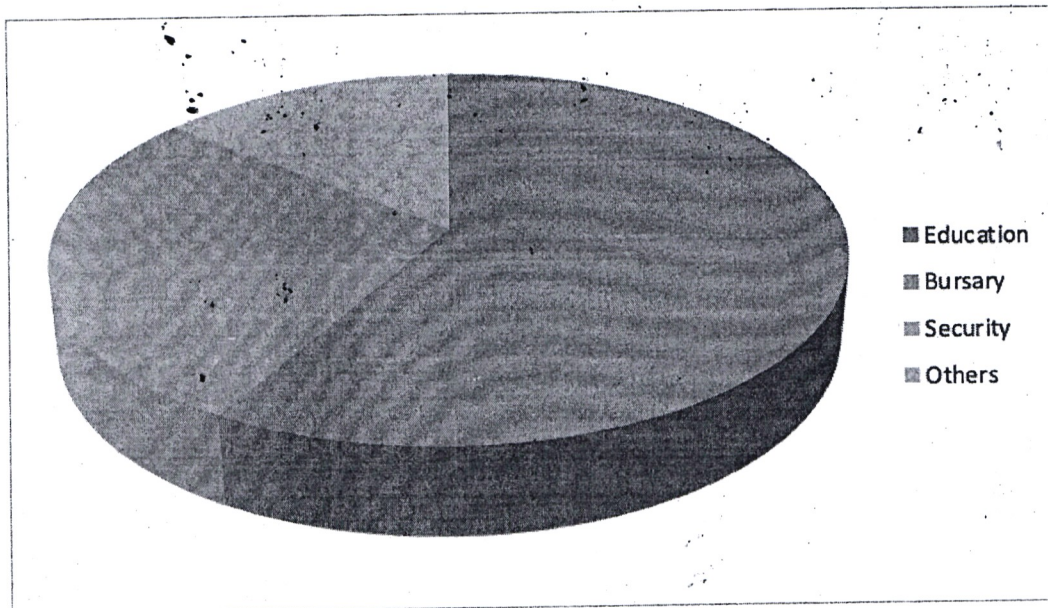
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. NG-CDFC Chairman's Report



We wish to present to you the Kesses NG-CDF financial statements for the year ended 30th June 2022. The performance of the constituency for the just ended financial year has been good even though much of the funds were received almost closure of the financial year thus remaining unutilized.

Below is a summary of funds allocated in the 2021/2022 financial year.



Key Achievements for the entity

A good number of ongoing projects were completed during the financial year. There were only three new projects in the financial year since a greater percentage of the funds were allocated to

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complete ongoing projects. Among projects completed include administration blocks for primary and secondary schools, laboratories and dormitories thus creating a good learning environment for the learners.

To combat covid 40, more water tanks were purchased for schools to aid in hand washing as the water is collected from rain.

Some of the implemented projects are as shown below:



Racecourse secondary school – construction of administration block

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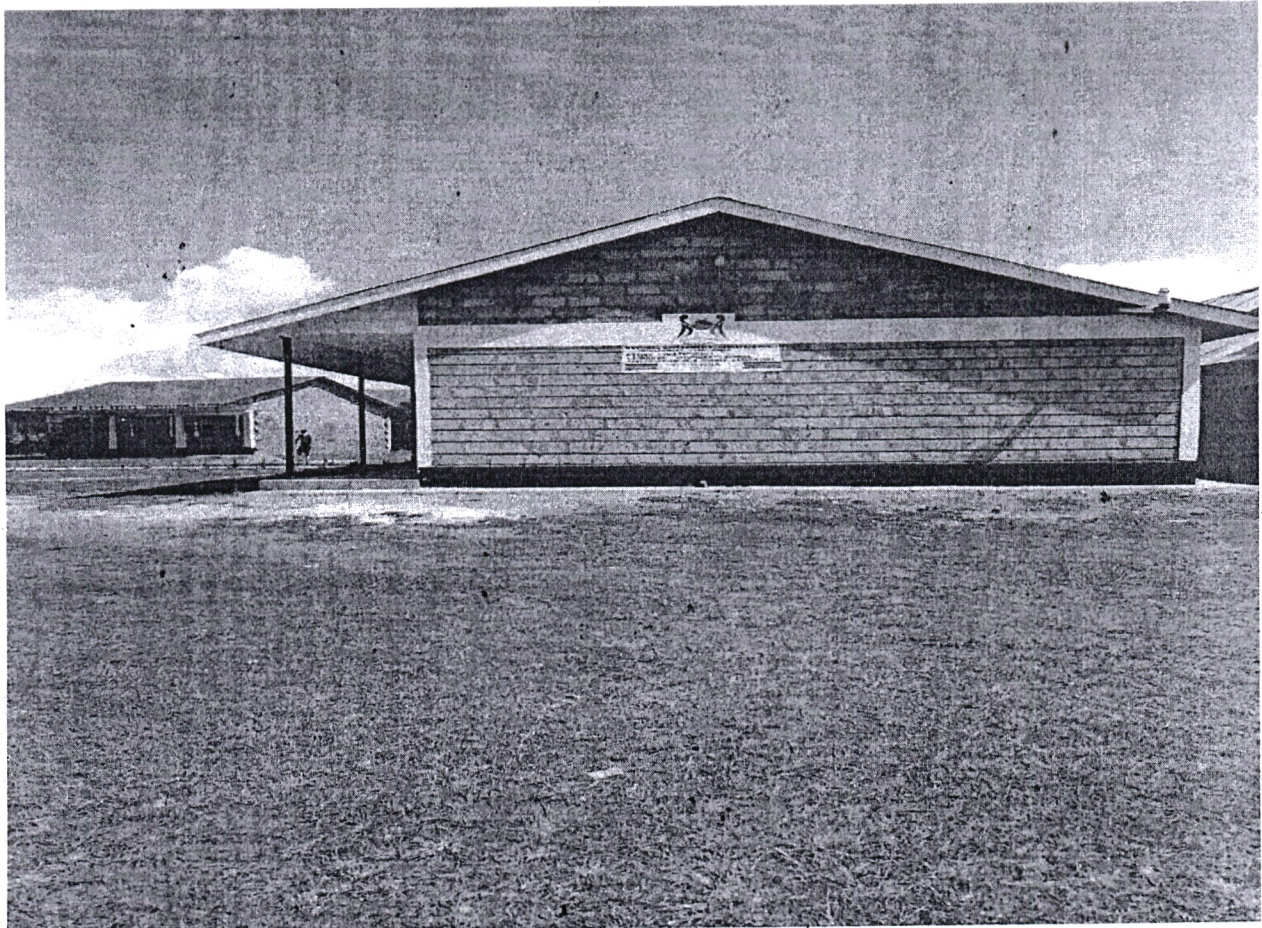


Kerita kosyin primary school – construction of dormitory

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Lainguse secondary school- construction of single laboratory

Challenges

During the financial year, the entity has encountered several challenges. Firstly, there was slow absorption of funds by PMC. This was occasioned by the short school term holidays thus renovation works could not proceed without interruption.

Slow disbursement of funds also affected implementation of projects by PMCs. This resulted to delay in the procurement process and hence projects implementation.

However, the heads of schools tried their best in fast tracking implementation of projects to ensure better learning and conducive environment for learners and staff.

.....
Name: John Busienei
CHAIRMAN NGCDF COMMITTEE

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III. 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 *Kesses Constituency 2018-2022* plan are to:

- a) Improve access to education
- b) Improve infrastructure in learning institutions
- c) Improve academic performance in KCPE and KCSE
- d) Enhance and sustain security in the constituency
- e) Promote sustainable environment management practices
- f) Nature and promote youth sporting talent
- g) Promote sustainable youth empowerment programmes
- h) Increase access to ICT infrastructure

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 Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all	In FY 2021/22 -we increased number of classrooms in primary schools from 368 to 876 and in secondary schools from 326 to 328 We increased number of laboratories from 51 to 55. We increased number of

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			levels	administration blocks from 58 to 61. We increased number of pit latrines from 1428 to 1438 within the constituency. We also issued bursaries to
Security	-Enhance and sustain security in the constituency	-Conducive working environment for security personnel -Increased security coverage Secure business environment.	-Number of rehabilitated and constructed DCC and chief offices.	In FY 2021/22 -We constructed pit latrine at Kesses DCC office and Kondoo police station. -We also furnished Olleinguse chiefs office.
Environment	-Promote sustainable environment management practices	-Increased forest cover in the constituency -A more informed citizenry on environmental conservation.	-Number of water tanks purchased for harvesting rain water	During F/Y 2021/22 -We supplied 5000litres water tanks to 40 schools within the constituency.
Emergency	-cater for emergencies that may occur within the constituency.	-emergencies taken care of to ensure normal operations within institutions...	-Number of emergency cases taken care of	During F/Y 2021/22 -We constructed pit latrines in 9 institutions as a matter of emergency

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Kesses 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

- 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. Kesses 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. Kesses 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-

Kesses 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-

Kesses NGCDF has endeavoured to sustain community engagement through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

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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.

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



.....
Name: Gloria Mwasi

FAM

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Kesses 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-Kesses 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- Kesses 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.

***Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NGCDF Kesses 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- Kesses Constituency financial statements were approved and signed by the Accounting Officer on 22/9/2022.

.....


Name: John Busienei
Chairman – NGCDF Committee

.....


Name: Gloria Mwasi
Finance Account Manager

***Kesses 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 Kesses 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- Kesses Constituency financial statements were approved and signed by the Accounting Officer on 22/9/ 2022.



.....
Name: John Busienei
Chairman – NGCDF Committee



.....
Name: Gloria Mwasi
Finance Account Manager

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KESSES 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

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kesses Constituency set out on pages 1 to 51, which comprise of the statement of assets and liabilities as at 30 June, 2022, 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 in accordance with provisions

Report of the Auditor-General on National Government of Constituencies Development Fund - Kesses Constituency for the year ended 30 June, 2022

of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Kesses 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 .

Basis for Qualified Opinion

Unconfirmed Project Management Committee (PMC) Bank Account Balances

As disclosed in Note 17.4 and Annex 5 to the financial statements is bank balance of Kshs.88,868,533 in respect of one hundred and twenty-two (122) PMC bank accounts. However, cash books and bank reconciliation statements supporting one hundred and six (106) PMC bank accounts with a balance of Kshs.74,584,600 were not provided for audit review.

In the circumstances, the accuracy, completeness and existence of PMC bank balances of Kshs.74,584,600 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 - Kesses Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final expenditure budget and actual on a comparable basis of Kshs.234,150,658 and Kshs.206,289,595, respectively resulting to an under-expenditure of Kshs.27,861,063 or 12% of the budget.

The under expenditure affected the planned activities and impacted negatively on service delivery to the public.

2. Stalled Project

During the year under review, six (6) projects with a total allocation of Kshs.32,786,596 were verified. However, one (1) project with an allocation of Kshs.16,437,100 had stalled and the contractor was not on site since February, 2022.

In the circumstances, value for money for the stalled project amounting to Kshs.16,437,100 could not be confirmed.

3. Unresolved Prior Year Issues

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues nor given any explanation for failure to implement the recommendations.

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, I confirm that, nothing 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

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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of

the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 May, 2023


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

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


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Transfers from NGCDF Board	1	182,177,758	161,867,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	8,000	5,000
TOTAL RECEIPTS		182,185,758	161,872,724
PAYMENTS			
Compensation of employees	4	2,967,312	1,742,120
Use of goods and services	5	10,943,657	7,331,285
Transfers to Other Government Units	6	115,318,000	103,550,000
Other grants and transfers	7	68,179,165	11,650,000
Acquisition of Assets	8	3,881,461	4,662,623
Other Payments	9	5,000,000	-
TOTAL PAYMENTS		206,289,595	128,936,028
SURPLUS/DEFICIT		(24,103,837)	32,936,696

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

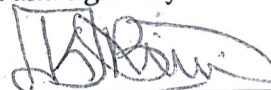
The Constituency financial statements were approved on 22/9 2022 and signed by:


 Fund Account Manager

Name: Gloria Mwasi


 National Sub-County
 Accountant

Name: Mary Waa
 ICPAK M/No: 7312


 Chairman NG-CDF
 Committee

Name: John Busienei

*Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
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VIII. 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	27,861,062	51,964,899
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		27,861,062	51,964,899
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		27,861,062	51,964,899
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		27,861,062	51,964,899
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	51,964,899	18,778,203
Prior year adjustments	14	-	250,000
Surplus/Deficit for the year		(24,103,837)	32,936,696
NET FINANCIAL POSITION		27,861,062	51,964,899

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: Gloria Mwasi


National Sub-County
Accountant

Name: Mary Waa
ICPAK M/No: 7312


Chairman NG-CDF
Committee

Name: John Busienei

Kesses Constituency

National Government Constituencies Development Fund (NGCDF)

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


	Notes	2021 – 2021	2021 - 2021
		Kshs	Kshs
Transfers from NGCDF Board	1	182,177,758	161,867,724
Other Receipts	3	8,000	5,000
		182,185,758	161,872,724
Payments for operating activities			
Compensation of Employees	4	2,967,312	1,742,120
Use of goods and services	5	10,943,657	7,331,285
Transfers to Other Government Units	6	115,318,000	103,550,000
Other grants and transfers	7	68,179,165	11,650,000
Other Payments	9	5,000,000	-
		202,408,134	124,273,405
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	250,000
Net Adjustments		-	250,000
Net cash flow from operating activities		(20,222,376)	37,849,319
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(3,881,461)	(4,662,623)
Net cash flows from Investing Activities		(3,881,461)	(4,662,623)
NET INCREASE IN CASH AND CASH EQUIVALENT		(24,103,837)	33,186,696
Cash and cash equivalent at BEGINNING of the year	10	51,964,899	18,778,203
Cash and cash equivalent at END of the year		27,861,062	51,964,899

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: Gloria Mwasi


National Sub-County
Accountant

Name: Mary Waa
ICPAK M/No: 7312


Chairman NG-CDF
Committee

Name: John Busienei

*Kesses Constituency
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X. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	2021/2022	B	2021/2022				
Receipts								
Transfers from NG-CDF Board			Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements		30/06/2022		
Proceeds from Sale of Assets								
Other Receipts								
TOTAL RECEIPTS								
PAYMENTS								
Compensation of Employees								
Use of goods and services								
Transfers to Other Government Units								
Other grants and transfers								
Acquisition of Assets								
Other Payments								
Funds awaiting approval								
TOTAL								

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

Explanatory Notes:

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]. The overutilization was due to reallocation from emergency and sports to other projects in other government departments and electricity.

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

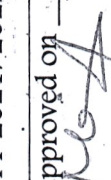
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	27,861,062
Less undisbursed funds receivable from the Board as at 30th June 2022	(0)
Add Accounts payable	27,861,062
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	27,861,062

The Constituency financial statements were approved on 22/6/2022 and signed by:



Fund Account Manager

Name: Gloria Mwasi



National Sub-County Accountant

**Name: Mary Waa
ICPAK M/No: 7312**



Chairman NG-CDF Committee

Name: John Busienei

Kesses Constituency

National Government Constituencies Development Fund (NGCDF)
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X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization Difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	1,109,000	2,192,739	1,643,979	4,945,718	2,967,312	1,978,406
1.2 Committee allowances	930,000	266,000		1,196,000	1,196,000	-
1.3 Use of goods and services	870,137	776,060	2,189,820	3,836,017	3,418,747	417,270
Total	2,909,137	3,234,799	3,833,799	9,977,735	7,582,059	2,395,676
2.0 Monitoring and evaluation						
2.1 Capacity building	1,228,000		1,324,899	2,552,899	2,520,900	31,999
2.2 Committee allowances	1,432,000	681,000	32,000	2,145,000	2,145,000	-
2.3 Use of goods and services	940,000	727,695		1,667,695	1,663,010	4,685
Total	3,600,000	1,408,695	1,356,899	6,365,594	6,328,910	36,684
3.0 Emergency						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
3.5 Unutilised	7,192,207	-	3,292,207	10,484,414	3,400,000	7,084,414

**Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Total	7,192,207	-	3,292,207	10,484,414	3,400,000	7,084,414
4.0 Bursary and Social Security						
4.1 Secondary Schools	20,000,000	20,000,000		40,000,000	40,000,000	
4.2 Tertiary Institutions	13,200,000	12,600,000		25,800,000	18,219,232	7,580,768
4.3 Social Security	4,800,000	2,400,000		7,200,000	-	7,200,000
4.4 Special Needs						
Total	38,000,000	35,000,000	-	73,000,000	58,219,232	14,780,768
5.0 Sports	2,000,000	1,355,633	2,097,933	5,453,566	2,051,892	3,401,674
5.1						
Total	2,000,000	1,355,633	2,097,933	5,453,566	2,051,892	3,401,674
6.0 Environment						
Oasis primary school	100,000			100,000	100,000	
Cheposgei primary school	100,000			100,000	100,000	
Keringet primary school	100,000			100,000	100,000	
Seiyo primary school	100,000			100,000	100,000	
Kerita primary school	100,000			100,000	100,000	
Kerita Tulwet primary school	100,000			100,000	100,000	

*Kesses Constituency
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Tumoge primary school	100,000			100,000	100,000	
Rehema primary school	100,000			100,000	100,000	
Kaplamai primary school	100,000			100,000	100,000	
Chepkoiyo primary school	100,000			100,000	100,000	
Chepkitiiny primary school	100,000			100,000	100,000	
Koiwoarusen primary school	100,000			100,000	100,000	
Sambul primary school	100,000			100,000	100,000	
Kapilat primary school	100,000			100,000	100,000	
Kamuyu primary school	100,000			100,000	100,000	
Koriomat primary school	100,000			100,000	100,000	
Koiliget Secondary school	100,000			100,000	100,000	
Cengalo Secondary school	100,000			100,000	100,000	
AIC Kaptumo Secondary school	100,000			100,000	100,000	
AIC Tulwet Secondary school	100,000			100,000	100,000	
Sosiani primary school			100,000	100,000	100,000	
Mugundoi primary school			100,000	100,000	100,000	
Chebii primary school			100,000	100,000	100,000	
Chemenei primary school			100,000	100,000	100,000	

**Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Bindura primary school			100,000	100,000	100,000	
Chuiyat primary school			100,000	100,000	100,000	
Lelmolok primary school			100,000	100,000	100,000	
Rukuine primary school			100,000	100,000	100,000	
Kipkorosyo primary school			100,000	100,000	100,000	
Kapyemit primary school			100,000	100,000	100,000	
Koilugot primary school			100,000	100,000	100,000	
Ndungulu primary school			100,000	100,000	100,000	
ACK St. Lukes Cheptiret Secondary school			100,000	100,000	100,000	
Kapkoiga girls Secondary school			100,000	100,000	100,000	
St. Catherine Girls Kesses Secondary school			100,000	100,000	100,000	
St. Mark Teldet Secondary school			100,000	100,000	100,000	
Kiptega Secondary school			100,000	100,000	100,000	
Racecourse Secondary school			100,000	100,000	100,000	
Chuiyat Chief Office			100,000	100,000	100,000	
Kipchamo Chief Office			100,000	100,000	100,000	
Total						

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.0 Primary Schools Projects						
Sugunanga primary School	200,000			200,000	200,000	-
Kerita kosyin primary school	2,000,000			2,000,000	2,000,000	-
Tarakwa primary school	1,200,000			1,200,000	1,200,000	-
Koilugiet primary School	1,000,000			1,000,000	1,000,000	-
Nabkoi boys boarding primary School	5,200,000			5,200,000	5,200,000	-
Kapyemit primary School	200,000			200,000	200,000	-
Chuiyat primary School	1,000,000			1,000,000	1,000,000	-
AIC Reverend mesis primary School	200,000			200,000	200,000	-
Kondoo farm nine primary school	200,000			200,000	200,000	-
Ngeny primary School	1,000,000			1,000,000	1,000,000	-
Ielmokwo pry						
tulwopngetuny pry						
chemare pry						
chepkoiyo pry						
koisagat pry						
kerita kosyin pry						
	2,000,000		2,000,000	4,000,000	4,000,000	

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
chepitret pry			1,600,000	1,600,000	1,600,000	
rehema pry			1,600,000	1,600,000	1,600,000	
st. mathews central pry			250,000	250,000	250,000	
hill school			1,000,000	1,000,000	1,000,000	
sigilai pry			250,000	250,000	250,000	
chepkoiya pry			300,000	300,000	300,000	
sosiani pry			2,800,000	2,800,000	2,800,000	
kipkorosyo pry			800,000	800,000	800,000	
ngeny pry			1,000,000	1,000,000	1,000,000	
barekeiwo pry			800,000	800,000	800,000	
kapchorua pry			800,000	800,000	800,000	
lainguse pry			2,500,000	2,500,000	2,500,000	
timboroa pry			1,500,000	1,500,000	1,500,000	
chagaiya pry			800,000	800,000	800,000	
seoyi west pry			200,000	200,000	200,000	
rongai primary		1,800,000		1,800,000	1,800,000	
Kapilat primary school		400,000		400,000	400,000	

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Fbk) and AIA	Previous Years' Outstanding Disbursements			
Ielmokwo pry		300,000		300,000	300,000	
subukia primary		600,000		600,000	600,000	
Total	12,200,000	3,100,000	22,600,000	37,900,000	37,900,000	
8.0 Secondary Schools Projects						
Racecourse Secondary school	9,900,000			9,900,000	9,900,000	
R.C.E.A Seiyo Secondary School	13,800,000			13,800,000	13,800,000	
Cheplasket Boys Secondary School	3,000,000			3,000,000	3,000,000	
Koisagat gaa secondary School	3,200,000			3,200,000	3,200,000	
Queen of Peace Rukuine Secondary school	3,500,000			3,500,000	3,500,000	
Lelmolok Secondary school	4,900,000			4,900,000	4,900,000	
Lingway secondary School	500,000			500,000	500,000	
St. Michael tulwopngtuny Secondary school	500,000			500,000	500,000	
AIC Tulwet secondary school	800,000			800,000	800,000	
Bindura Secondary school	200,000			200,000	200,000	
Lainguse Secondary school	2,200,000			2,200,000	2,200,000	
Matharu Secondary school	2,200,000			2,200,000	2,200,000	
Kiptega Secondary school	2,200,000			2,200,000	2,200,000	
Chagaiya secondary school	1,500,000			1,500,000	1,500,000	
Kamuyu Secondary school	1,000,000			1,000,000	1,000,000	
Tarakwa Secondary school	2,000,000			2,000,000	2,000,000	

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Bishop Muge Secondary school	4,400,000			4,400,000	4,400,000	
Barekeiwo Secondary school	1,500,000			1,500,000	1,500,000	
Mkombozi Secondary School	8,056,050			8,056,050	8,056,050	-
ACK St Lukes cheptiret secondary school	2,443,950			2,443,950	2,443,950	-
Lingway secondary School		18,000		18,000	18,000	-
koisagat sec			1,000,000	1,000,000	1,000,000	
queen of peace rukuine			1,000,000	1,000,000	1,000,000	
matharu sec.			2,000,000	2,000,000	2,000,000	
kiptega sec			2,000,000	2,000,000	2,000,000	
lainguse sec			2,000,000	2,000,000	2,000,000	
Bishop Muge Secondary school			1,200,000	1,200,000	1,200,000	
Kiptega Secondary school			400,000	400,000	400,000	
Total	67,800,000	18,000	9,600,000	77,418,000	77,418,000	
9.0 Tertiary institutions Projects						
Total						
10.0 Security Projects						
olleinguse chief office	200,000			200,000	200,000	

*Kesses Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kondoo police station			8,041	8,041	8,041	-
Kesses dcc office			300,000	300,000	300,000	-
Total	200,000		308,041	508,041	508,041	-
11.0 Acquisition of assets						
Ng cdf office		1,997,713		1,997,713	1,997,713	-
office furniture & equipment		350,000		350,000		350,000
motor vehicle		80,680		80,680	80,680	-
strategic plan		19,973		19,973	19,973	-
office equipment-computers	1,187,535			1,187,535	1,187,535	-
office construction					270,554	(270,554)
office construction		325,406		325,406	325,006	400
Total	1,187,535	2,773,772		3,961,307	3,881,461	79,846
12.0 Other payments						
RERFC		5,000,000		5,000,000	5,000,000	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
Total		5,000,000	-	5,000,000	5,000,000	-
13.0 unallocated fund						
Unapproved projects						-
AIA		82,000		82,000		82,000
PMC savings						
Total		82,000	-	82,000	-	82,000
	137,088,879	51,964,899	45,088,879	234,150,658	206,289,595	27,861,062

(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-Kesses 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 xx 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.

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		500,000
AIE NO. B104812		1,000,000
AIE NO. B124769		69,367,724
AIE NO. B104943		8,500,000
AIE NO. B124977		12,000,000
AIE NO. B119832		11,900,000
AIE NO. B128122		7,000,000
AIE NO. B128434		6,000,000
AIE NO. B132178		12,000,000
AIE NO. B138846		9,000,000
AIE NO. B126141		12,600,000
AIE NO. B126433		12,000,000
AIE NO. B140577		
AIE NO. B140926	33,000,000	
AIE NO. B105628	34,000,000	
AIE NO. B105679	10,000,000	
AIE NO. B105799	22,000,000	
AIE NO. B128539	6,000,000	
AIE NO. B128850	12,000,000	
AIE NO. B154047	12,000,000	
AIE NO. B164489	18,000,000	
AIE NO. B155846	23,088,879	
AIE NO. B155962	12,088,879	
	182,177,758	161,867,724

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Notes To the Financial Statements (Continued)

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of Office and General Equipment	-	-
TOTAL	-	-

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts Sale of Tender Documents	8,000	5,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	8,000	5,000

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,787,160	1,313,960
Personal allowances paid as part of salary	-	-
House allowance	162,000	162,000
Transport allowance	144,000	144,000
Leave allowance	12,000	12,000
Gratuity-contractual employees	823,272	-
Employer Contributions Compulsory national social security schemes	38,880	110,160
TOTAL	2,967,312	1,742,120

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Notes To the Financial Statements (Continued)

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	678,550	44,999
Electricity	-	86,573
Water & sewerage charges	50,000	-
Office rent	-	-
Communication, supplies and services	36,000	0
Domestic travel and subsistence	191,400	61,600
Printing, advertising and information supplies & services	208,000	1,372,601
Rentals of produced assets	-	-
Training expenses	1,250,600	1,181,800
Hospitality supplies and services	539,560	146,080
Other committee expenses	5,620,681	2,727,662
Committee allowance	1,187,000	936,000
Insurance costs	181,720	182,855
Specialised materials and services	-	-
Office and general supplies and services	398,975	387,260
Fuel , oil & lubricants	174,191	116,378
Other operating expenses	-	0
Bank service commission and charges	40,348	43,400
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	386,632	44,077
Routine maintenance- other assets	-	0
TOTAL	10,943,657	7,331,285

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Notes To The Financial Statements (Continued)*

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to Primary Schools	37,900,000	59,850,000
Transfers to Secondary Schools	77,418,000	43,700,000
Transfers to Tertiary Institutions	-	-
TOTAL	115,318,000	103,550,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary - Secondary (see attached list)	43,519,232	-
Bursary -Tertiary (see attached list)	14,700,000	-
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	508,041	8,850,000
Sports Projects (see attached list)	2,051,892	-
Environment Projects (see attached list)	4,000,000	2,600,000
Emergency Projects (see attached list)	3,400,000	200,000
TOTAL	68,179,165	11,650,000

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	2,693,926	4,662,623
Refurbishment of Buildings	-	-
Purchase of computers ,printers and other IT equipments	1,187,535	-
TOTAL	3,881,461	4,662,623

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Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
Electricity	5,000,000	-
	5,000,000	-

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	Kshs	Kshs
	(30/6/2022)	(30/6/2021)
Cooperative Bank, Eldoret Branch . Kesses NG-CDFA/C no.11443590500	27,861,062	51,964,899
	-	-
	-	-
TOTAL	27,861,062	51,964,899
10B: CASH IN HAND)		
	2021-2022	2020 - 2021
	Kshs	Kshs
	(30/6/2022)	(30/6/2021)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

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Notes To the Financial Statements (Continued)

11: Outstanding Imprests

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

12A. Retention

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

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	51,964,899	18,778,203
Cash in hand		
Imprest		
TOTAL	51,964,899	18,778,203

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Notes To the Financial Statements (Continued)

14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	-	-	-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (specify)	-	-	250,000
Total	-	-	250,000

**** 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)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Changes in Accounts Payable E= D-E	-	-

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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	147,821	-
Supply of services	-	-
TOTAL	147,821	

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Staff	205,270	722,457
Others (specify)	-	-
TOTAL	205,270	722,457

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	1,799,646	3,836,718
Use of goods and services	707,365	6,066,474
Amounts due to other Government entities (see attached list)	-	30,618,000
Amounts due to other grants and other transfers (see attached list)	24,166,855	54,079,220
Acquisition of assets	1,105,196	2,428,393
Others (specify)	-	19,973
Funds pending approval	82,000	5,000
	27,861,062	97,053,778

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	88,868,533	97,696,774
Total	88,868,533	97,696,774

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**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
	a	b	c	d=a-c	
Construction of buildings					
1. Beatmax limited	669,200	2021	635,740	33,460	
2. Felbis construction	1,076,130	2021	1,016,323	59,807	
3. Timro general supplies	619,880	2022	588,936	30,944	
4. Harmo engineering	9,504,565	2019	9,480,955	23,610	
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
Sub-Total					
Supply of services					
10.					
Sub-Total	11,869,775		11,721,954	147,821	
Grand Total	11,869,775		11,721,954	147,821	

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1. Emmanuel Sawe	Clerk of works	1.11.2018	79,831	
2. Philip Barmasai	Accounts assistant	1.11.2018	66,415	
3. Benjamin Lagat	Driver	1.11.2018	59,024	
Sub-Total			205,270	
Grand Total			205,270	

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Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Compensation of employees		1,799,646	3,836,718	
Use of goods & services		707,365	6,066,474	
Amounts due to other Government entities				
Sosiani primary School	Renovation of 14 classrooms to completion; floor repair, plastering, ceiling, electrical works, fixing windows & doors repair and painting.		2,800,000	
Hill school primary	Construction of one ablution block to be connected to existing sewer line (flush toilet) to completion consisting of 10 doors for girls		1,000,000	
Lainguse primary School	Renovation of 8 classrooms to completion; Roof replacement, fixing windows and doors, floor works, plaster and painting		2,500,000	
Chagaiya primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting		800,000	

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Chemare primary School	Construction of one classroom to completion		800,000	
Kapchorua primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting		800,000	
Kipkorosyo primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting		800,000	
Barekeiwo primary School	Renovation of 4 classrooms to completion; fixing windows and doors, floor works, plaster and painting		800,000	
Timboroa primary School	Renovation of 5 classrooms to completion; roof replacement, fixing windows and doors, floor works, plaster and painting		1,500,000	
St. athew central primary School	Purchase of 100 pupils desks		250,000	

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Rehema primary School	Construction of two classrooms to completion		1,600,000	
Seiyo West primary School	Purchase of 80 pupils desks		200,000	
Cheptiret primary School	Construction of 2 classrooms to completion		1,600,000	
Kerita Kosyin primary School	Construction of 2 classrooms to completion		1,600,000	
Tulwopngetuny primary School	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting		1,000,000	
Chepkoiya primary School	Construction of 2 door pit latrine for special pupils to completion		300,000	
Ngeny primary School	Construction of administration block comprising of 4roomed offices and staffroom(Phase 1): foundation, walling, roofing, windows and doors.		1,000,000	

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Lelmwokwo primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	
Chepkoiyo primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	
Koisagaŕ primary school	Renovation of 5 classrooms to completion; floor repair, plastering, fixing window panes and painting	1,000,000	
Sigilai primary school	Purchase of 100 pupils desks	250,000	
Kiptega Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000	

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Matharu Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000		
Lainguse Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling, roofing, plaster, windows, doors and floor works	2,000,000		
Queen of Peace Rukuine Secondary school	Construction of 200 students capacity dining and multipurpose hall (Phase 1); foundation, walling to lintel level.	1,000,000		
Koisagat Gaa Secondary school	Construction of 40 students capacity single laboratory (Phase 1); foundation, walling and roofing	1,000,000		
Lingway Secondary school	Construction of dining hall and kitchen	18,000		
Sub-Total		40,521,192	2,507,011	
Amounts due to other grants and other transfers				

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Security				
Kondoo police station	Fencing of 3.5 acres land with concrete poles, barbed wire and wiremesh (1,230,000) and erection of gate (78,041)		8,041	
Environment				
Kerita primary school	planting 1000 trees and fencing		27,117	
Kaptumo primary school	planting 1000 trees and fencing		27,117	
Keringet primary school	planting 1000 trees and fencing		27,117	
Kondoo farm9 primary	planting 1000 trees and fencing		27,117	
Teldet chuiyat primary school	planting 1000 trees and fencing		27,117	
Lelmwokwo primary school	planting 1000 trees and fencing		27,117	
Chepkoiyo primary school	planting 1000 trees and fencing		27,117	
Koitebes primary school	planting 1000 trees and fencing		27,117	
Cheposgei primary school	planting 1000 trees and fencing		27,117	
AIC Rev. mesis primary school	planting 1000 trees and fencing		27,117	
Sigilai primary school	planting 1000 trees and fencing		27,117	

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All saints chepkigen secondary	planting 1000 trees and fencing		27,119	
Sosiani primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Mugundoi primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Chebii primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Chemenei primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Bindura primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Chuiyat primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Lelmolok primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Rukuine primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Kipkorosyo primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Kapyemit primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Koiluget primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Ndungulu primary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
ACK St. Lukes Cheptiret Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	

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Kapkoiga girls Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
St. Catherine Girls Kesses Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
St. Mark Teldet Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Kiptega Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Racecourse Secondary school	Purchase and installation of 5,000 litres water tank to harvest rain water.		100,000	
Constituency sports tournament	Carry out Constituency Sports tournament, and winning teams to be awarded with games kits, trophies and balls	3,401,674	8,453,566	
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	5,984,413	8,292,207	
Bursary Secondary Schools	Payment of bursary to needy students	7,580,768	20,000,000	
Bursary Tertiary Schools	Payment of bursary to needy students in tertiary institutions and technical schools		12,600,000	
Social security program	Payment of medical insurance cover (NHIF) for 400 vulnerable families within the constituency	7,200,000	2,400,000	
Sub-Total		24,166,855	53,879,220	
Acquisition of assets				
Ng-cdf office	Construction of Ng-cdf office	755,196.00	1,997,713	

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Constituency Motorcycle	Purchase of constituency motorcycle to be used by clerk of works in supervision of projects		59,743	
Motor vehicle	Purchase of constituency motor vehicle to assist the NGCDF to conduct monitoring		20,937	
Office equipment	Purchase of office furniture; executive conference table, 16 executive chairs, 1 executive table, 3 office tables, 3 office chairs, 2 wooden cabinets (1,000,000). Purchase of 4 desktop computers (250,000), 40TV (50,000), office telephone networking (50,000).	350,000.00	350,000	
Others (specify)				
Strategic plan	Development of 5 year constituency strategic plan		19,973	
Sub-Total		1,105,196	2,448,366	
Funds pending approval		82,000	5,000	
Grand Total		27,861,062	97,053,778	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures	9,051,587	2,693,926		11,745,513
Transport equipment	10,559,857			10,559,857
Office equipment, furniture and fittings	1,535,498	1,187,535		2,723,033
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	21,146,942	3,881,461		25,028,403

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

	PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
1	KOITEBES PRIMARY SCHOOL	O1141440957700	CO-OP	02/12/2014	67,059	526,844
2	OASIS PRIMARY SCHOOL	O1141673444100	CO-OP	13/07/2016	297,637	197,637
3	SOSIANI PRIMARY SCHOOL	O1141673872400	CO-OP	23/04/2016	375,962	1,850
4	SAROYOT PRIMARY SCHOOL	O1141810298600	CO-OP	04/08/2018	31,251	55,780
5	MURGOR PRY	O1141810276100	CO-OP	30/08/2018	19	677,084
6	ASURURIET PRY	O1141440095702	CO-OP	15/07/2016	99,072	557,243
7	CHESUNET PRY	O1141443670100	CO-OP	26/03/2014	1,185	1,185
8	NABKOI BOARDING PRY	O1141442103400	CO-OP	18/08/2014	3,577,352	1,028,820
9	CHUIYAT PRY	O1141672532200	CO-OP	01/04/2015	1,113,565	13,565
10	AIC REVEREND MESIS PRY	O1141672756900	CO-OP	12/07/2016	84,436	1,595,909
11	CHEMENEI PRY	O1141443235500	CO-OP	01/08/2014	117,370	30,240
12	AIC RUMAN PRY	O1139443844500	CO-OP	21/05/2014	124,710	1,682,329
13	TOROR PRY	O1139442730100	CO-OP	08/11/2013	46,488	46,388
14	MUGUNDOI PRY	O1139443693900	CO-OP	02/04/2014	327,145	393,050
15	KAPYEMIT PRY	O1139442970700	CO-OP	15/01/2014	247,388	1,696,439
16	KAPTUMO SEC	O1141673528700	CO-OP	10/03/2016	278,262	896,096
17	LINGWAY SEC	O1141673452000	CO-OP	23/01/2016	762,987	2,099,942
18	SEIYO SEC	O114140093300	CO-OP	27/07/2016	14,676,886	2,883,219

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	PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
19	BINDURA SEC	O1141672522800	CO-OP	28/03/2015	229,892	1,509,044
20	REHEMA SEC	O1141443803400	CO-OP	09/03/2015	206,420	2,163,522
21	CHAGAIYA SEC	O1141442714000	CO-OP	17/12/2013	1,076,634	542,132
22	BAREKEIWO SEC	O1139440906400	CO-OP	16/08/2012	948,807	156,360
23	KOIWARUSEN SEC	O1141674019700	CO-OP	27/07/2016	21,090	21,090
24	KOISAGAT SEC	O1139443402800	CO-OP	13/02/2014	3,621,117	456,008
25	LAINGUSE CHIEF	O1141674116200	CO-OP	19/07/2016	313,025	121,105
26	CHUYAT CHIEF	O1141673845400	CO-OP	30/03/2016	100,510	49,648
27	TUMOGE PRIMARY	O1141441868000	CO-OP	15/08/2014	209,391	1,358,092
28	KIPCHAMO CHIEFS OFFICE	O1141958686600	CO-OP	16/03/2021	109,434	17,877
29	KAPKOI CHIEFS OFFICE	O1141958684800	CO-OP	11/03/2021	7,513	17,823
30	LAINGUSE SECONDARY SCHOOL	O1141673447700	CO-OP	19/01/2016	281,885	399,916
31	CHEBOROR PRIMARY SCHOOL	O1141443729000	CO-OP	11/04/2014	12,590	590,629
32	CHEREBER PRY SCHOOL	O1139441123500	CO-OP	23/11/2012	337,412	555,761
33	KOISOLLA PRI SCHOOL	O1141958696200	CO-OP	01/04/2021	17,139	1,978,975
34	TUIYOBEI GAA PRIMARY SCHOOL	O1139442147000	CO-OP	13/06/2013	61,582	1,868,127
35	KAPERTON PRIMARY SCHOOL	O1141046298500	CO-OP	14/07/2014	19,919	701,742
36	LELMOLOK PRIMARY SCHOOL	O1141958746200	CO-OP	15/06/2021	155,937	1,248,975
37	RONGAI PRIMARY SCHOOL	O1141674196600	CO-OP	25/07/2016	87,675	1,308,923

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	PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
38	LENGUT PRIMARY SCHOOL	O1141810260800	CO-OP	05/09/2018	41,112	1,494,726
39	NDUNGULU SEC	O1139046066802	CO-OP	21/02/2012	5,600	304,100
40	KAPTUMO PRI	O1141880074900	CO-OP	20/09/2018	97,187	117,661
41	ST. CORNELLIOUS TILOEWO PRI	O1141045069100	CO-OP	09/05/2017	93,089	838,017
42	CHAGAIYA PRIMARY	O1141443753000	CO-OP	19/04/2014	13,348	364,203
43	KIPTEGA SECONDARY SCHOOL	O1141672218100	CO-OP	12/07/2016	1,517,218	1,758,347
44	KETIPLONG PRI SCHOOL	O1139045905901	CO-OP	14/03/2013	38,705	870,010
45	KERINGET SECONDARY SCHOOL	O1141443731900	CO-OP	15/04/2014	13,396	534,437
46	LAINGUSE PRIMARY	O1141440496600	CO-OP	11/08/2014	105,041	231,434
47	RACEOURSE PRIMARY	O1141443751100	CO-OP	17/04/2014	-	33,068
48	NDUNGULU PRIMARY SCHOOL	O1141046771600	CO-OP	25/04/2014	353,316	253,796
49	TARAKWA PRIMARY SCHOOL	O1141086570600	CO-OP	05/12/2014	1,216,249	16,729
50	AIC KERINGET PLATEAU PRY	O1139441978900	CO-OP	23/04/2013	167,157	2,001,430
51	SAMBUL PRIMARY SCHOOL	O1139441760601	CO-OP	21/03/2013	123,080	405,206
52	RUKUINE PRIMARY SCHOOL	O1141673779200	CO-OP	01/02/2016	208,916	1,000,018
53	CHEMARE PRIMARY SCHOOL	O1141673777600	CO-OP	04/02/2016	91,830	408,158
54	MUCHORWE PRIMARY SCHOOL	O1141443696100	CO-OP	03/04/2014	101,158	22,859
55	KOISAGAT PRIMARY SCHOOL	O1141441799300	CO-OP	18/06/2015	132,338	677,084
56	KOILUGET SECONDARY SCHOOL	O1139442709901	CO-OP	04/02/2014	121,556	482,376

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	PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
57	EMKWEN KOITEBES PRI. SCH	O1141674518500	CO-OP	09/02/2017	67,693	927,087
58	HILLSCHOOL PRIMARY SCHOOL	O1141880305600	CO-OP	02/03/2019	197,623	423,536
59	KOIWARUSEN PRI SCHOOL	O1139441841000	CO-OP	15/03/2013	107,133	1,006,433
60	NGENY PRIMARY SCHOOL	O1141443589500	CO-OP	12/03/2014	1,659,409	45,680
61	ALL SAINTS CHEPKIGEN SEC SCH	O1141672579400	CO-OP	14/04/2014	7,001,871	7,001,871
62	CHESEGEM PRIMARY SCHOOL	O1141673751500	CO-OP	08/01/2016	118,034	599,677
63	SEIYO PRIMARY SCHOOL	O1141958713700	CO-OP	27/04/2021	293,403	1,898,975
64	TULWOPNGETUNY PRIMARY SCHOOL	O1141674044900	CO-OP	08/09/2016	1,001,354	476,405
65	SUKUNANGA PRIMARY SCHOOL	O1141674385800	CO-OP	23/01/2017	200,476	
66	ST.CATHERINE KAHUHO PRY	O1141086036400	CO-OP	03/04/2014	20,726	428,087
67	KAPRANGA PRIMARY SCHOOL	O1141958617400	CO-OP	25/01/2021	5,406	790,313
68	TULWET PRIMARY SCHOOL	O1139441595400	CO-OP	28/12/2012	109,279	1,001,590
69	SEIYOWEST PRIMARY SCHOOL	O1141958747500	CO-OP	17/06/2021	1,975	1,600,000
70	CHIRCHIR PRIMARY SCHOOL	O1139441814700	CO-OP	07/05/2013	10,276	1,200,620
71	KESSES POLICE STATION	O1141647036000	CO-OP	18/05/2021	5,417,449	6,113,078
72	KESSES DCC OFFICE	O1141957273200	CO-OP	12/06/2019	337,626	
73	KAMUYU SECONDARY SCH	O1141672551900	CO-OP	07/04/2015	705,999	1,004,010
74	KONDOO POLICE STATION	O1141958912300	CO-OP	03/06/2022	1,608,041	0
75	KONDOO FARM NINE PRY	O1024091719200	NATIONAL	20/06/2021	338,290	1,209,801

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	PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
76	REHEMA PRY	O1024028600401	NATIONAL	667,659	87,377
77	KERITA KOSYIN PRY	O1024027774901	NATIONAL	188,151	332,333
78	SAROYOT SEC	O1025081888802	NATIONAL		640,612
79	AIC TULWET SEC	O1021030761802	NATIONAL		1,832
80	AIC ISAAC KOSGEI SEC	O1025028640702	NATIONAL	13,125	320,797
81	TIMBOROA PRIMARY SCHOOL	O1022028244400	NATIONAL	247,666	48,660
82	KORIOMAT PRI. SCHOOL	O1024028396001	NATIONAL	7,965	200,059
83	MOI UNIVERSITY PRI	O1024027998602	NATIONAL	502,963	504,163
84	MOGOBICH PRI SCHOOL	O1024027996001	NATIONAL	40,069	48,986
85	CHEPLOSGEI PRI SCHOOL	O1024027618901	NATIONAL		1,001,190
86	MOI UNIVERSITY SEC.	O1022208277200	NATIONAL	7,009,430	7,201,000
87	SUBUKIA PRIMARY SCHOOL	O1024028222901	NATIONAL		304,454
88	SOSIANI SECONDARY SCHOOL	O1025073353402	NATIONAL		2,490,746
89	CHIRCHIR SECONDARY SCHOOL	O1242030887001	NATIONAL	28,546	
90	KAPILAT PRIMARY SCHOOL	O1024017993400	NATIONAL	98,638	1,603,808
91	MKOMBOZI SECONDARY SCHOOL	O1025029093902	NATIONAL	8,057,548	227,235
92	ST. MICHAEL TULWOPNGETUNY SEC	O1025030750000	NATIONAL	533,692	85,025
93	TUMOGE SECONDARY	O1025062982302	NATIONAL		1,010,845
94	LELMOLOK SECONDARY SCHOOL	O1025027932303	NATIONAL		1,403,387

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	PMC	Bank	Account number		Bank Balance 2021/22	Bank Balance 2020/21
95	KERITA TULWET PRIMARY	1171020082	KCB	03/06/2015		958,894
96	BISHOP MUGE SUBUKIA SEC	1152096419	KCB	15/04/2014		551,456
97	KERITA DAY SEC	1234305291	KCB	14/06/2018		824,460
98	MATHARU SEC	1236047443	KCB	18/07/2018		289
99	CHEPKOYO SEC	1157528805	KCB	05/08/2014		654
100	HILL SCHOOL SEC	1129707407	KCB	06/08/2011		4,043
101	KIPTEGA PRIMARY	1255441453	KCB	12/04/2019	1,159	517,242
102	MATHARU PRIMARY SCHOOL	1156628660	KCB	15/07/2014	438	100,138
103	KAMUYU PRIMARY SCHOOL	1234291223	KCB	14/06/2018		382,040
104	CHEFLASKEI BOYS HIGH SCH	1176830927	KCB	27/05/2015	2,751,829	1,464,044
105	CHUCHUNIAT PRI-SCHOOL	1090297423785	EQUITY	02/06/2011	90,362	1,284,255
106	KOILUGET PRI SCHOOL	0300297864171	EQUITY	01/09/2011	242,040	591,034
107	BOROR PRI SCHOOL	1090297628384	EQUITY	20/07/2011	63,016	309,668
108	ST MARK TELDET SEC	0300262296784	EQUITY	09/04/2014	102,139	7,896
109	CHEBII PRI SCHOOL	0300299053109	EQUITY	03/04/2012	159,354	113,226
110	CHEPKITINY PRI SCH	0300262689113	EQUITY	04/08/2014	97,739	820,348
111	SILAGA PRIMARY SCHOOL	1090262607281	EQUITY	09/07/2014	91,343	2,005,543
112	KAPCHORUA PRIMARY SCHOOL	0300263840994	EQUITY	05/03/2015	44,927	300,008
113	CHEPTIRET PRIMARY SCHOOL	0300264231133	EQUITY	27/05/2015	293,836	103,316

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	PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
114	KERITA PRIMARY SCHOOL	O1008030001088	SIDIAN	7,922	524,857
115	MOGOCHORET PRY	O1008030000383	SIDIAN		269,759
116	KAPKOI PRIMARY SCHOOL	O1008030007604	SIDIAN		6,122
117	CENGALO SEC SCHOOL	O1008030005776	SIDIAN	108,785	410,525
118	KAPLAMAI PRIMARY SCHOOL	O1008030008287	SIDIAN	1,076,399	201,519
119	ACK ST. LUKE CHEPTIRET SEC.SCH	O08030005989	SIDIAN	2,582,250	
120	KIPKOROSYO PRIMARY SCHOOL	O1008030002041	SIDIAN	183,590	845,510
121	RACECOURSE SEC	O065231001	ACCESS	9,835,336	568,611
122	ST. MARK TELDET PRI	O220130000054	ACCESS	51,528	28,635
				88,868,533	97,696,774

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. cash and cash equivalent	A review of bank reconciliation as at 30 th June 2021 revealed unrepresented cheques totaling kshs. 1,830,000 which had not been cleared at the time of audit in April 2022.	The cheques were stale and replaced in June 2022	Resolved	
2. project management committee bank balances	Cash books and bank reconciliation statements were not availed for audit	The management has conducted training to project management committees and it is expected they will provide the bank reconciliation statements	Not resolved	December 2022
3. Retention money not reported in the financial statements	Outstanding retentions amounting to kshs. 362,262 deducted from	The money was not included in the statement of assets and	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	contractor not included in the statement of assets and liabilities	liabilities since it was captured as payment in the cash book		
4.summary of fixed asset register	How Grounded landrover GKB501F became uneconomical to repair Assets received from the NG CDFBoard did not have historical cost	-the vehicle was involved in an accident in 2014 and was never fully repaired	Resolved	
5.Overstatement of compensation of employees	Unexplained variance of kshs. 71,280 between payroll and basic salaries	The variance represents nhif and employer nssf contribution included in the basic salary	Resolved	

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Name
Fund Account Manager.

