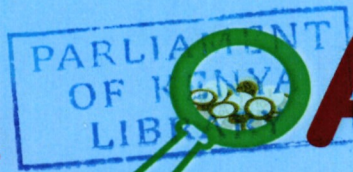


REPUBLIC OF KENYA



AG



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT NATIONAL ASSEMBLY
PAPERS LAID

DATE: 21 FEB 2023

DAY:

TUESDAY

TABLED

BY:

OF

CLERK-AT
THE-TABLE:

DEPUTY LEADER OF
THE MAJORITY PARTY

INZOPU MWALLU

THE AUDITOR-GENERAL

ON

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

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





KASIPUL CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

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

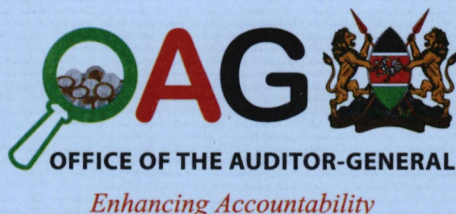
**Prepared in accordance with the Cash Basis of Accounting Method under the International Public
Sector Accounting Standards (IPSAS)**

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

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REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, 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 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

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kasipul Constituency set out on pages 18 to 53, which comprise the statement of assets and liabilities as at 30 June, 2021, and the statement receipts and payments, statement of cash flows and summary statement of

appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Opinion

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

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.211,887,560 and Kshs.166,798,681 respectively, resulting to an under-funding by Kshs.45,088,879 or 21 % of the budget. Similarly, the Fund expended an amount of Kshs.157,027,181 against an approved budget of Kshs.211,945,560 resulting to an under-expenditure of Kshs.54,918,379 or 26% of the approved budget.

In the circumstances, the under-funding and under-expenditure affected the planned activities and might have impacted negatively on service delivery to the residents of Kasipul Constituency.

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.

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	A.I.E holder	Eunice Irene Awuor
2.	Sub-County Accountant	Jared Oduyo Okumu
3.	Chairman NG-CDFC	Lonnie Oluoch Rapemo
4.	Member NG-CDFC	Mary N. Opiyo

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kasipul Constituency NG-CDF. 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) Kasipul Constituency NGCDF Headquarters

P.O. Box 264-40222 Oyugis
NG-CDF Office Building
Off Kisii - Ahero Road
Oyugis, KENYA

(f) Kasipul Constituency NGCDF Contacts

Telephone: (254) 0721-411569
E-mail: cdfkasipul@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Kasipul Constituency NGCDF Bankers

Bank Name:	Kenya Commercial Bank
Branch:	Oyugis
Branch Code:	241
Account Name:	Kasipul NG-CDF
Account Number:	1146215614
Address:	170-40222, Oyugis

(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



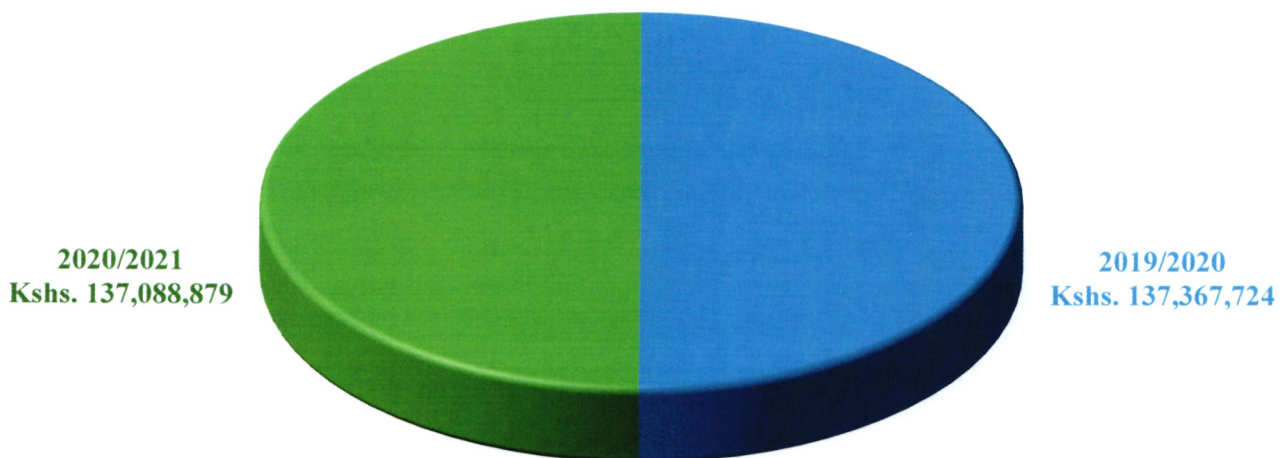
Going by the objective of the NG-CDF as provided in section 3 of the NG-CDF Act, 2015 as amended in 2016, Kasipul National Government Constituency Development Fund Committee (NG-CDFC) has endeavored to identify, perform and course to implement projects in the financial year 2020/2021 within the confines of the law and guidance by the NGCDF Board. Projects were identified and implemented with much regard to public participation, sustainable development orients and enhancement of local accountability and transparency in the use of public resources.

As a requirement, all public entities entrusted with the use of public funds must at the end of every financial year present a financial annual report. The annual report entails summary of the budget performance against actual amount for the year under review

We therefore present Kasipul NG-CDF's annual report and financial statements for the financial year 2020/2021. In the year under review, we are pleased with our overall performance with an increased annual expenditure compared to the previous financial year. We have put systems in place to ensure that there is improved service delivery and value for money which is in tandem with the constituency's vision and mission statement.

The actual amounts utilised by the constituency in its various expense items was at 74.1% of our annual budget of Kshs. 137,088,879, however the target should be 100% if funds are availed in time during the respective financial year.

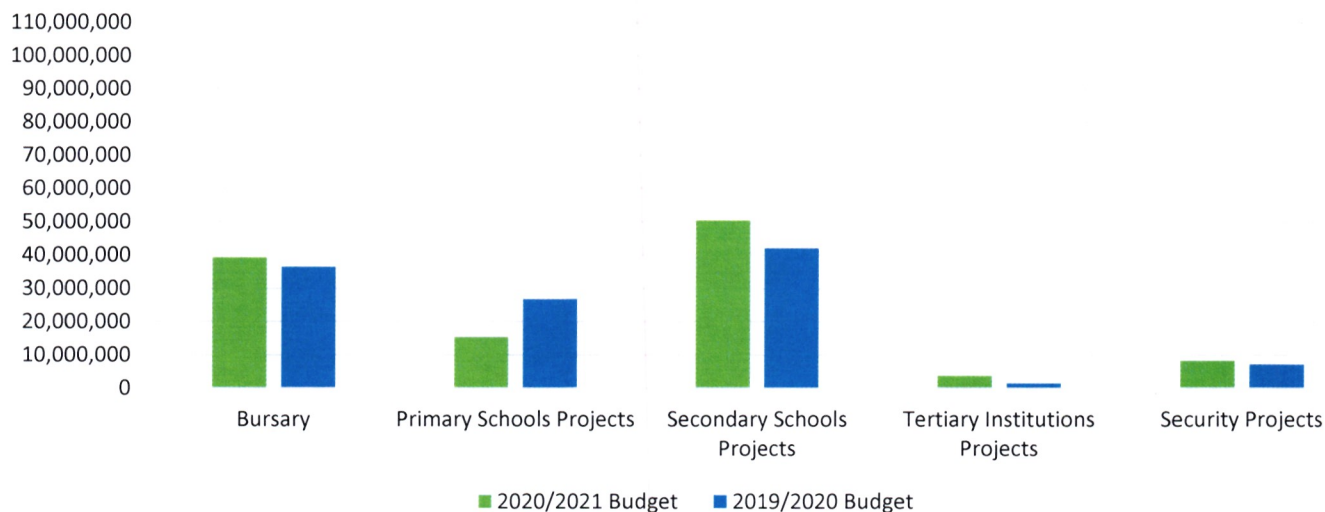
Pie Chart Comparing FY 2020/2021 and FY 2019/2020 Allocations



Note

There was immaterial decrease in financial year 2020/2021 allocation by Kshs. 278,845 compared to the financial year 2019/2020 allocation

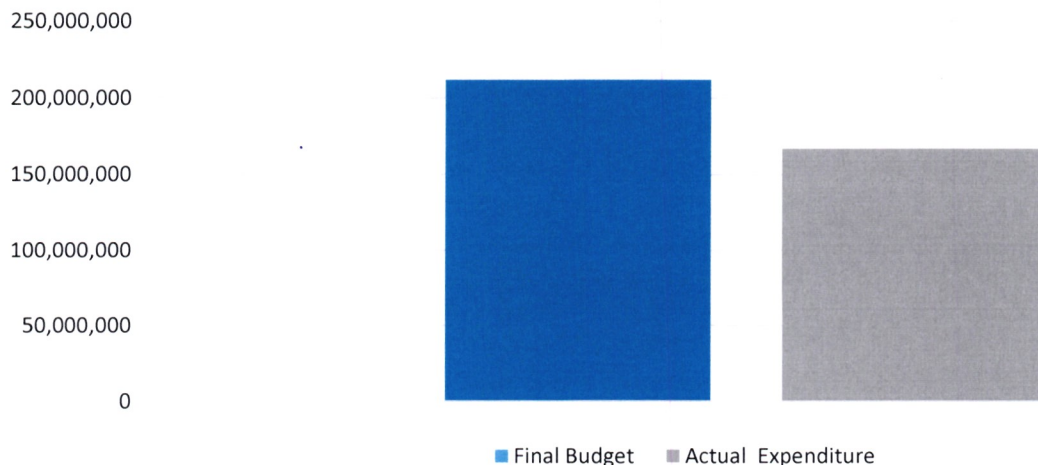
Bar Graph Comparing the Itemised Budget for the Financial year 2020/2021 and 2019/2020 per Sector



Note

There was an increase in the sectoral allocations with the exception of primary schools' projects

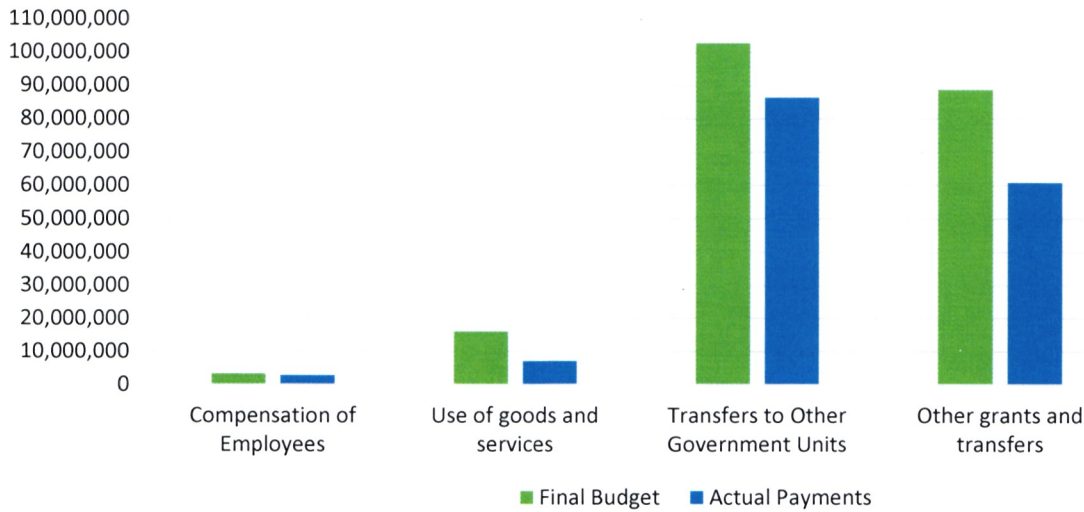
Bar Chart Comparing the Final Budget with the Actual Expenditure During the Financial Year 2020/2021



Note

The utilization of funds against the final budget is at 79%, since the constituency has a pending disbursement from the NG-CDF Board of Kshs. 45,088,879 for the financial year 2020/2021

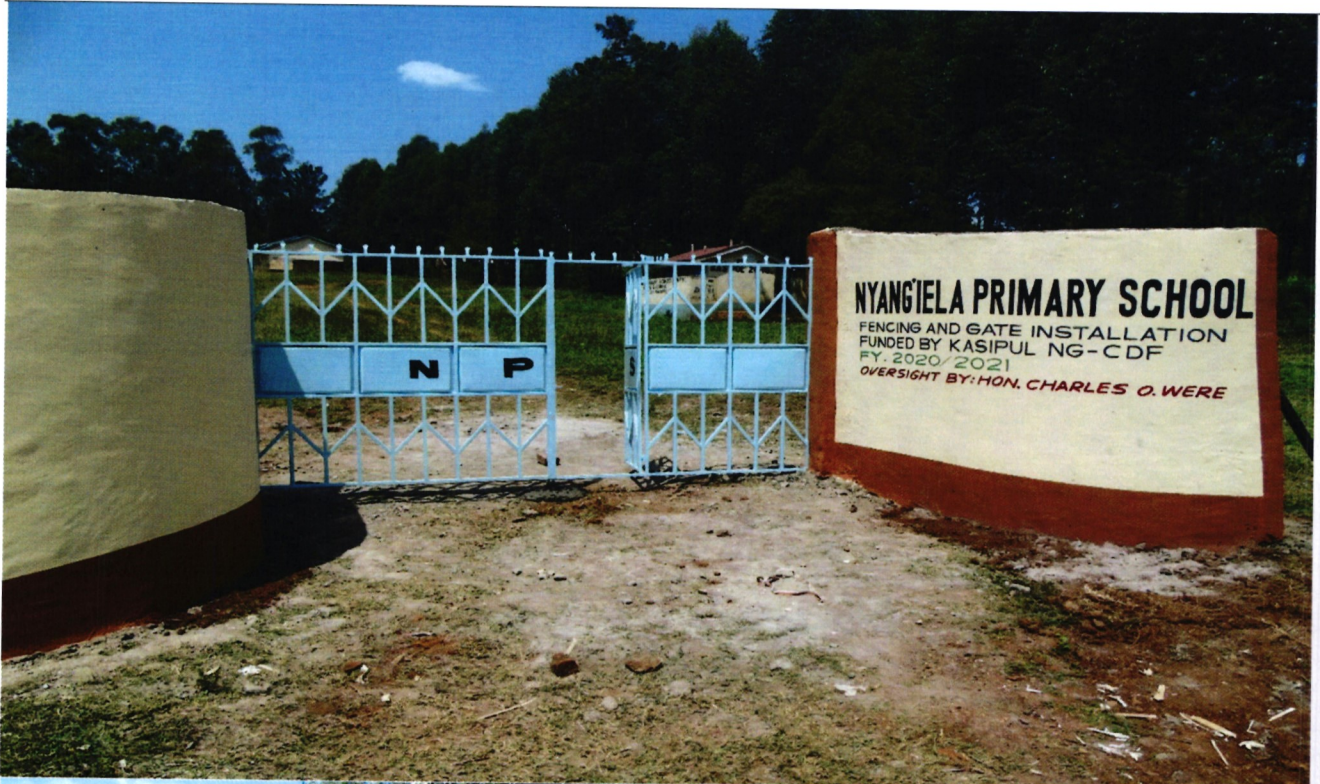
Bar Graph Comparing the Itemised Final Budget and Actual Payments During the Financial year 2020/2021 per Expense Item



Key Achievements for Kasipul NG-CDF

- Payment of NHIF subscription to the vulnerable groups has greatly helped in the provision of health care support, in line with the National Government’s goal of providing affordable health care.
- Drilling of water bore holes in schools has enabled access to clean drinking water to students / pupils and the surrounding local community members
- In the education sector, NG-CDF funding of infrastructure in schools has assisted in increasing pupils/ students enrolment and provided conducive learning environment.
- The NG-CDF bursary has helped retain students from low income families in schools.
- In the security sector, funding of chiefs offices, administration police lines have ensured conducive working and living environment and prompt responses to calls on their duties





Emerging Issues Related to the NG-CDF

- The restrictive nature of the NG-CDF Act in terms of the nature of projects to be funded, makes certain vital projects within the community not to be undertaken as some fall under the devolved functions

Implementation Challenges and Recommended Way Forward

- Late disbursement of project funds leads to proposed projects not being implemented within the financial year, hence delays which in turn lead to rise in project costs and other unforeseen occurrences, and students not being awarded bursaries in coherent with the schools calendar, hence students and pupils retention in learning institutions is greatly affected negatively.
- Public's inability to distinguish national government functions as pertains NG-CDF and devolved functions pertaining to county governments, as such frequent development forums and awareness forums should be held to intuit the public with information concerning the development initiatives and the jurisdiction of the various development partners and stakeholders
- NG-CDF funds has become the panacea of most rural projects in the constituency, however due to limited allocation the locals aspirations cannot be met promptly, as such the allocation to NG-CDF should be increased to enable more development initiatives to be undertaken

Lonnie O. Rapemo	NG-CDFC Chairman	<u>Lonnie O. Rapemo</u>	<u>26 August 2021</u>
Name	Designation	Sign.	Date

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

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 Kasipul Constituency 2018-2023 plan are to:
In underscoring the above, the key development objectives of NGCDFC-Kasipul Constituency's 2018-2023 plan included but not limited to;

Strategic Area One: Education

Objective: Become a national model for education by improving schools' infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance schools' infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programmes that support education within the constituency.

Strategic Area Two: Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Kasipul through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

Strategic Area Three: Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery

Strategic Area Four: Sports

Objective: Empower and develop youth and special groups to reduce dependence and spur economic growth through sports

Initiative: Develop and empower youth and special groups through sports.

Strategic Area Five: Information Communication and Technology (ICT)

Objective: Enhance access to information and technology by Kasipul residents and use ICT to enhance service delivery and spurring development.

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms increased from 427 to 514 Number of laboratories increased from 10 to 20 Number of dormitories increased from 8 to 24 Number of administration blocks increased from 13 to 26
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Drill boreholes to promote access to clean and safe water Equip schools and public facilities with sanitation facilities Provide tree seedlings to schools to improve the forest cover	Number of boreholes drilled Number of sanitation facilities built in primary and secondary Number of trees planted	Number of boreholes increased from 13 to 27 Number of sanitation facilities increased from 40 to 57 Number of trees planted in schools increased from 0 to 20
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of renovated chiefs' offices increased from 9 to 12 Number of assistant chiefs' offices increased from 1 to 12 Number of police lines increased from 2 to 5

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

Constituency Program	Objective	Outcome	Indicator	Performance
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 10 to 42
Information Communication and Technology (ICT)	Enhance access to information and technology and use ICT to enhance service delivery	Equip chiefs' offices with computers and internet connectivity to enable them improve service delivery	Number of usable chiefs' offices with computers and internet connectivity	Number of ICT centres at the chiefs' offices increased from 0 to 4

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

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

2. Environmental Performance

- NG-CDF supported planting of trees in 10 primary schools and for sustainability purposes the pupils were sensitized on how to adopt and nurture a tree

- NG-CDF supported two schools in rain water harvesting and conversation to help alleviate perennial water shortage in the respective schools
- NG-CDF sponsored sporting activities/ tournament during the financial year through purchase of sports uniforms and equipment to 12 teams with the aim of bringing communities and sensitizing them on environmental conservation matters.

3. Employee Welfare

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

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF- Kasipul Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Accounting Officer in charge of the NGCDF- Kasipul Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency 's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kasipul Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kasipul 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 Kasipul Constituency financial statements were approved and signed by the Accounting Officer on 26/Aug/ 2021.


Chairman NGCDF Committee
Name: Lonnie O. Rapemo


Fund Account Manager
Name: Eunice Irene Awuor

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 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 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 to continue to sustain its services, disclosing, as applicable, matters related sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 September, 2022


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

VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2021

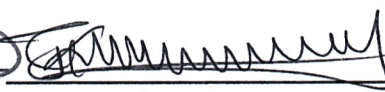
	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Transfers from other Government Entities	1	161,367,724	123,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	58,000	27,000
TOTAL RECEIPTS		161,425,724	123,067,876
PAYMENTS			
Compensation of employees	4	2,743,812	2,350,059
Use of goods and services	5	7,043,539	5,549,885
Transfers to Other Government Units	6	86,356,000	68,264,204
Other grants and transfers	7	60,883,830	50,097,925
Acquisition of Assets	8	-	534,100
Other Payments	9	-	512,199
TOTAL PAYMENTS		157,027,181	127,308,372
SURPLUS/(DEFICIT)		4,398,543	(4,240,497)

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

The NGCDF Kasipul Constituency financial statements were approved on 26/Aug/ 2021 and signed by:



Fund Account Manager
Name: Eunice Irene Awuor



National Sub-County Accountant
Name: Jared O. Okumu
ICPAK M/No: 15430

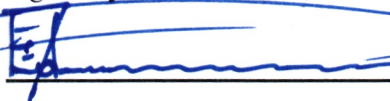
Chairman NG-CDF Committee
Name: Lonnie O. Rapemo

VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

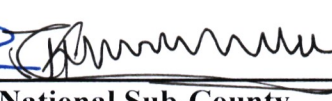
	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the Cash Book)	10A	9,829,500	5,430,957
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		9,829,500	5,430,957
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		9,829,500	5,430,957
FINNACIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		9,829,500	5,430,957
REPRESENTED BY			
Fund Balance b/fwd	13	5,430,957	9,671,453
Prior Year Adjustments	14	-	-
Surplus/Deficit for the Year		4,398,543	(4,240,497)
NET FINANCIAL POSITION		9,829,500	5,430,957

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

The NGCDF Kasipul Constituency financial statements were approved on 26/Aug/ 2021 and signed by:



Fund Account Manager
Name: Eunice Irene Awuor



**National Sub-County
Accountant**
Name: Jared O. Okumu
ICPAK M/No: 15430

Chairman NG-CDF Committee
Name: Lonnie O. Rapemo

*Kasipul Constituency
National Government Constituencies Development Fund (NGCDF)
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IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

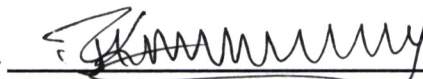
	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from Operating Activities			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Other Receipts	3	58,000	27,000
Total Receipts		161,425,724	123,067,876
Payments for Operating Expenses			
Compensation of Employees	4	2,743,812	2,350,059
Use of Goods and Services	5	7,043,539	5,549,885
Transfers to Other Government Units	6	86,356,000	68,264,204
Other Grants and Transfers	7	60,883,830	50,097,925
Other Payments	9	-	512,199
Total Payments		157,027,181	126,774,272
Total Receipts Less Total Payments		4,398,543	(3,706,397)
Adjusted for:			
Decrease/(Increase) in Accounts Receivable: (Outstanding Imprest)	15	-	-
Increase/(Decrease) in Accounts Payable: (Deposits/Gratuity and Retention)	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		4,398,543	(3,706,397)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(534,100)
Net Cash Flows from Investing Activities		-	(534,100)
NET INCREASE IN CASH AND CASH EQUIVALENT		4,398,543	(4,240,497)
Cash and Cash Equivalent at BEGINNING of the Year	10	5,430,957	9,671,453
Cash and Cash Equivalent at END of the Year		9,829,500	5,430,957

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

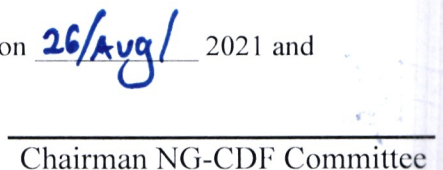
The NGCDF Kasipul Constituency financial statements were approved on 26/Aug/ 2021 and signed by:



**Fund Account Manager
Name: Eunice Irene Awuor**



**National Sub-County
Accountant
Name: Jared O. Okumu
ICPAK M/No: 15430**



Name: Lonnie O. Rapemo

*Kasipul Constituency
National Government Constituencies Development Fund (NGCDF)
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X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	A	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	2020/2021	30/06/2021		
	Kshs	Previous Years' Outstanding Disbursements	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	5,430,957	211,887,560	166,798,681	45,088,879	78.7%
Proceeds from Sale of Assets	-	-	-	-	-	0.0%
Other Receipts (AIA)	-	58,000	58,000	58,000	-	100.0%
TOTALS	137,088,879	5,488,957	211,945,560	166,856,681	45,088,879	78.7%
PAYMENTS						
Compensation of Employees	3,034,872	-	3,234,872	2,743,812	491,060	84.8%
Use of Goods and Services	9,158,436	58,000	16,037,467	7,043,539	8,993,928	43.5%
Transfers to Other Government Units	69,450,000	-	102,706,000	86,356,000	16,350,000	85.2%
Other Grants and Transfers	54,645,571	5,271,957	88,708,221	60,883,830	27,824,391	66.9%
Acquisition of Assets	-	-	300,000	-	300,000	0.0%
Other Payments	800,000	-	800,000	-	800,000	0.0%
Funds Pending Approval**	-	159,000	159,000	-	159,000	0.0%
TOTALS	137,088,879	5,488,957	211,945,560	157,027,181	54,918,379	74.1%

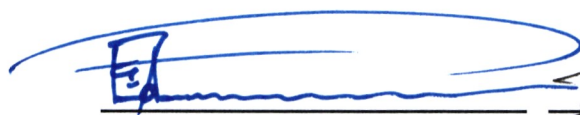
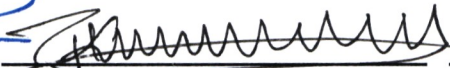
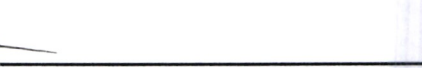
Kasipul Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Commentary on Budget Utilisation.

1. Compensation of employees, use of goods and services, transfers to other government units and other grants and transfers were below 90% in utilization, since the constituency had an outstanding disbursement for the financial year 2020/2021 from the NG-CDF Board of **Kshs. 45,088,879**
2. Changes between the original and final budget are as a result of the adjustments of **Kshs. 74,856,681** resulted from the sum of the under listed 3 three items:
 - Cash book bank balances as at 1st July, 2020 which was **Kshs. 5,430,957**
 - Funds received in the financial year 2020/2021 that were meant for previous financial year (precisely 2019/2020) **Kshs. 69,367,724**
 - Other receipts (Appropriation in Aid) with respect to sale of tenders of **Kshs. 58,000**
3. The actual on a comparable basis in the Summary Statement of Appropriation totals to **Kshs. 166,856,681**, whereas the amounts reported in the Statement of Receipts and Payments is **Kshs. 157,027,181**, this brings about a difference of **Kshs. 9,829,500** which is equivalent to the cash book balance carried down on 30th June, 2021

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget Utilisation Difference Totals	54,918,379
Less Undisbursed Funds Receivable from the Board as at 30 th June 2021	(45,088,879)
	9,829,500
Add Accounts Payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	9,829,500

The NGCDF- Kasipul Constituency financial statements were approved on 26/Aug/ 2021 and signed by:

		
Fund Account Manager Name: Eunice Irene Awuor	National Sub-County Accountant Name: Jared O. Okumu ICPAK M/No: 15430	Chairman NG-CDF Committee Name: Lonnie O. Rapemo

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent	Kshs		Kshs	Kshs	Kshs	Kshs
1.1 Compensation of employees	3,034,872	-	200,000	3,234,872	2,743,812	491,060
1.2 Committee allowances	2,600,000	-	1,500,000	4,100,000	1,495,000	2,605,000
1.3 Use of goods and services	2,441,000	58,000	2,000,000	4,499,000	2,838,539	1,660,461
2.0 Monitoring and evaluation						
2.1 Capacity building	1,600,000	-	1,300,000	2,900,000	979,000	1,921,000
2.2 Committee allowances	2,000,000	-	1,500,000	3,500,000	1,384,000	2,116,000
2.3 Use of goods and services	517,436	-	521,031	1,038,467	347,000	691,467
3.0 Emergency						
3.1 Primary Schools	400,000	-	-	400,000	400,000	-
3.2 Secondary schools	2,300,000	-	-	2,300,000	2,300,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	1,270,000	-	-	1,270,000	1,270,000	-
3.5 Unutilised	3,222,207	735,957	5,600,304	9,558,468	-	9,558,468
4.0 Bursary and Social Security						
4.1 Secondary Schools	23,000,000	-	1,500,000	24,500,000	20,016,000	4,484,000
4.2 Tertiary Institutions	15,803,364	-	12,000,389	27,803,753	18,301,830	9,501,923
4.3 Special Schools	400,000	-	350,000	750,000	220,000	530,000
4.5 Social Security	-	4,536,000	-	4,536,000	4,536,000	-
5.0 Sports						
5.1 Miyawa Foot Ball Club	-	-	210,000	210,000	210,000	-

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

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	Kshs	30/06/2021	Kshs	
5.2 Katanga Volley Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.3 Nyimbi Net Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.4 King Star Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.5 Mithui Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.6 Oyugis United Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.7 Wire Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.8 Sino Net Ball Club	-	-	-	200,000	200,000	200,000	200,000	200,000	-
5.9 Aolo Net Ball Club	-	-	-	200,000	200,000	200,000	200,000	200,000	-
5.10 God Nyango Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.11 Nyatwere Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
5.12 Waradho Foot Ball Club	-	-	-	210,000	210,000	210,000	210,000	210,000	-
6.0 Environment	-	-	-	-	-	-	-	-	-
6.1 Kosele Primary School	-	-	-	200,000	200,000	200,000	200,000	200,000	-
6.2 Manganga Primary School	-	-	-	200,000	200,000	200,000	200,000	200,000	-
6.3 Wirabuor Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.4 Nyagowa Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.5 Kamuga Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.6 Mithui Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.7 Oyugis Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.8 Kachieng Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.9 Nyatindo Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.10 Agawo Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-
6.11 Nyatwere Primary School	-	-	-	100,000	100,000	100,000	100,000	100,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
6.12 Waradho Primary School	-	-	100,000	100,000	100,000	-
7.0 Primary Schools Projects (List all the Projects)	Kshs		Kshs	Kshs	Kshs	Kshs
7.1 Katanga Primary School	800,000	-	-	800,000	800,000	-
7.2 Miti Primary School	200,000	-	-	200,000	200,000	-
7.3 Nyangiela Primary School	1,280,000	-	-	1,280,000	1,280,000	-
7.4 Ondiko Primary School	750,000	-	-	750,000	-	750,000
7.5 Kogwang Primary School	200,000	-	-	200,000	200,000	-
7.6 Buoye Primary School	550,000	-	-	550,000	550,000	-
7.7 Awuoro Primary School	3,700,000	-	-	3,700,000	3,700,000	-
7.8 St. Charles Kauko Primary School	650,000	-	-	650,000	-	650,000
7.9 Nyaingu Primary School	750,000	-	-	750,000	-	750,000
7.10 Kisuri Primary School	650,000	-	-	650,000	650,000	-
7.11 Opondo Primary School	650,000	-	-	650,000	650,000	-
7.12 Otula Primary School	750,000	-	-	750,000	750,000	-
7.13 Waradho Primary School	750,000	-	-	750,000	750,000	-
7.14 Mang'anga Primary School	3,700,000	-	-	3,700,000	-	3,700,000
7.15 Kaluoch Primary School	-	-	3,700,000	3,700,000	3,700,000	-
7.16 Alero Nanga Primary School	-	-	750,000	750,000	750,000	-
7.17 Ondiko Primary School	-	-	750,000	750,000	750,000	-
7.18 Oyugis Primary School	-	-	550,000	550,000	550,000	-
7.19 Rongo Primary School	-	-	750,000	750,000	750,000	-
7.20 Agawo Primary School	-	-	450,000	450,000	450,000	-
7.21 Masanga Primary School	-	-	750,000	750,000	750,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs		Kshs	Kshs	Kshs	Kshs
7.22 Kombaka Primary School	-	-	750,000	750,000	750,000	-
7.23 Nyaingu Primary School	-	-	750,000	750,000	750,000	-
7.24 Manganga Primary School	-	-	500,000	500,000	500,000	-
7.25 Kosira Primary School	-	-	750,000	750,000	750,000	-
7.26 Aramo Primary School	-	-	450,000	450,000	450,000	-
7.27 Kogwang Primary School	-	-	750,000	750,000	750,000	-
7.28 Ondiwa Gamba Primary School	-	-	750,000	750,000	750,000	-
7.29 Sino DOH Primary School	-	-	750,000	750,000	750,000	-
7.30 Yadh Welo Primary School	-	-	700,000	700,000	700,000	-
8.0 Secondary Schools Projects (List all the Projects)						
8.1 Nyambare Mixed Secondary School	200,000	-	-	200,000	200,000	-
8.2 Nyambare Mixed Secondary school	1,500,000	-	-	1,500,000	1,500,000	-
8.3 Kalanding Mixed Secondary school	3,700,000	-	-	3,700,000		3,700,000
8.4 DoI Mixed Secondary school	1,500,000	-	-	1,500,000	1,500,000	-
8.5 Nyabola Mixed Secondary School	400,000	-	-	400,000	-	400,000
8.6 St. Peter's Kotieno Mixed Secondary School	600,000	-	-	600,000	-	600,000
8.7 Yala Kotieno Mixed Secondary school	1,500,000	-	-	1,500,000	-	1,500,000
8.8 Mawira Mixed Secondary school	1,500,000	-	-	1,500,000	1,500,000	-
8.9 Eng. Peter Owidi Nyahera Girls Secondary School	750,000	-	-	750,000	-	750,000
8.10 Obisa Mixed Secondary School	1,000,000	-	-	1,000,000	-	1,000,000
8.11 Agoro Sare Mixed Secondary School	7,180,000	-	-	7,180,000	7,180,000	-

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

Programme/Sub-programme	Original Budget	Adjustments			Final Budget	Actual on comparable basis	Budget utilization difference
		2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs			Kshs	Kshs	Kshs	Kshs
8.12 Wire Mixed Secondary school	1,500,000	-	-	-	1,500,000	1,500,000	-
8.13 Nyandiwa Mixed Secondary School	7,180,000	-	-	-	7,180,000	7,180,000	-
8.14 Kachieng Mixed Secondary School	1,200,000	-	-	-	1,200,000	1,200,000	-
8.15 Kachieng Mixed Secondary School	7,180,000	-	-	-	7,180,000	7,180,000	-
8.16 Kalando Mixed Secondary school	500,000	-	-	-	500,000		500,000
8.17 Nyatindo Mixed Secondary School	800,000	-	-	-	800,000	800,000	-
8.18 Saye Mixed Secondary School	3,700,000	-	-	-	3,700,000	3,700,000	-
8.19 Aolo Girls' Secondary School	800,000	-	-	-	800,000	800,000	-
8.20 Nyalenda Mixed Secondary School	7,180,000	-	-	-	7,180,000	7,180,000	-
8.21 Rachuonyo South Sub County Director of Education Office	500,000	-	-	-	500,000	-	500,000
8.22 Nyagowa Mixed Secondary School	-	-	2,000,000	-	2,000,000	2,000,000	-
8.23 Mithui Mixed Secondary School	-	-	2,000,000	-	2,000,000	2,000,000	-
8.24 Sino SDA Mixed Secondary School	-	-	3,700,000	-	3,700,000	3,700,000	-
8.25 Karabok Mixed Secondary School	-	-	2,000,000	-	2,000,000	2,000,000	-
8.26 Nyabola Mixed Secondary School	-	-	2,500,000	-	2,500,000	2,500,000	-
8.27 St. Anne's Secondary School-Ojwando	-	-	550,000	-	550,000	550,000	-
8.28 Kalando Mixed Secondary School	-	-	1,000,000	-	1,000,000	1,000,000	-
8.29 Nyamhare Mixed Secondary School	-	-	500,000	-	500,000	500,000	-
8.30 Kwoyo Oyugis Secondary School	-	-	706,000	-	706,000	706,000	-
8.31 St. Peter's Kotieno Mixed Secondary School	-	-	500,000	-	500,000	500,000	-
8.32 Obisa Mixed Secondary School	-	-	500,000	-	500,000	500,000	-
8.33 Nyafare Mixed Secondary School	-	-	500,000	-	500,000	500,000	-

*Kasipul Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
8.34 Eng. Peter Owidi Nyahera Girls Secondary School	-	-	1,400,000	1,400,000	1,400,000	-
9.0 Tertiary institutions Projects (List all the Projects)						
9.1 Rachuonyo TTI	3,700,000			3,700,000	3,700,000	-
9.2 Rachuonyo KMTC			1,550,000	1,550,000	-	1,550,000
10.0 Security Projects (List all the Projects)						
10.1 Kodera North Chiefs Office	3,000,000	-	-	3,000,000		3,000,000
10.2 Konuanga Chiefs Office	3,000,000	-	-	3,000,000	3,000,000	-
10.3 Kowidi Chiefs Office	750,000	-	-	750,000		750,000
10.4 Kachien South Chiefs Office	1,500,000	-	-	1,500,000	1,500,000	-
10.5 Kotieno Kochich Assistant Chief's Office	-	-	700,000	700,000	700,000	-
10.6 Kawino Assistant Chief's Office	-	-	700,000	700,000	700,000	-
10.7 Kamuma Assistant Chief's Office	-	-	230,000	230,000	230,000	-
10.8 Obisa Assistant Chief's Office	-	-	230,000	230,000	230,000	-
10.9 Kachieng Assistant Chief's Office	-	-	700,000	700,000	700,000	-
10.10 Kachien South Assistant Chief's Office	-	-	700,000	700,000	700,000	-
10.11 North Kamagak Chief's Office	-	-	350,000	350,000	350,000	-
10.12 Kamiyawa Assistant Chief's Office	-	-	700,000	700,000	700,000	-
10.13 Kachien North Assistant Chief's Office	-	-	430,000	430,000	430,000	-
10.14 Kawere West Assistant Chief's Office	-	-	700,000	700,000	700,000	-
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-

Kasipul Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments			Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
11.2 Construction of CDF office	Kshs	-	-	-	Kshs	-	Kshs
11.3 Purchase of furniture and equipment		-	-	300,000	Kshs	-	300,000
11.4 Purchase of computers		-	-	-		-	
11.5 Purchase of land		-	-	-		-	
12.0 Others							
12.1 Kasipul NG-CDF Office		800,000	-	-		-	800,000
12.2 Strategic Plan		-	-	-		-	
12.3 Innovation Hub							
13.0 Funds Pending Approval **							
AIA			159,000	-			159,000
Total		137,088,879	5,488,957	69,367,724		157,027,181	54,918,379

(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)

XII. 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- Kasipul 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.

Transfers from the National Government Constituency Development Fund (NGCDF)

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.

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-Kind Contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to 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.

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020- 2021	2019 – 2020
		Kshs	Kshs
Normal Allocation from NG-CDF Board	AIE NO. B 041083	-	55,040,876
	AIE NO. B 047450	-	4,000,000
	AIE NO. B 041290	-	18,000,000
	AIE NO. B 047710	-	5,000,000
	AIE NO. B 049297	-	15,000,000
	AIE NO. B 104322	-	15,000,000
	AIE NO. B 096578	-	11,000,000
	AIE NO. B 096960	15,000,000	-
	AIE NO. B 104613	19,000,000	-
	AIE NO. A 823533	35,367,724	-
	AIE NO. B 124542	9,000,000	-
	AIE NO. B 124973	10,000,000	-
	AIE NO. B 119828	12,000,000	-
	AIE NO. B 128118	6,900,000	-
	AIE NO. B 128430	6,000,000	-
	AIE NO. B 132174	6,000,000	-
	AIE NO. B 138842	12,000,000	-
	AIE NO. B 126137	7,000,000	-
	AIE NO. B 126429	11,100,000	-
	AIE NO. B 140573	12,000,000	-
Total		161,367,724	123,040,876

2. PROCEEDS FROM SALE OF ASSETS

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
Receipts from Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from Sale of Office and General Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of Tender Documents	58,000	27,000
Hire of Plant/Equipment/Facilities	-	-
Unutilized Funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	58,000	27,000

4. COMPENSATION OF EMPLOYEES

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic Staff Salaries	1,657,329	1,387,560
Personal Allowances Paid as Part of Salary		
House Allowance	219,000	205,150
Transport Allowance	276,000	257,000
Leave Allowance	-	-
Gratuity to Contractual Employees	513,723	430,149
Employer Contributions Compulsory National Social Security Schemes	77,760	70,200
Total	2,743,812	2,350,059

Kasipul Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
Committee Expenses	2,879,000	2,915,500
Utilities, supplies and services	152,240	234,185
Electricity	55,000	64,500
Water & sewerage charges	40,000	17,000
Communication, supplies and services	93,395	77,110
Domestic travel and subsistence	335,700	481,310
Printing, advertising and information supplies & services	398,940	351,140
Rentals of produced assets	-	-
Training expenses	979,000	467,800
Hospitality supplies and services	323,000	293,880
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	271,125	236,025
Other Operating Expenses	-	-
Fuel , oil & lubricants	700,000	300,000
Other operating expenses	38,800	88,435
Bank service commission and charges	26,000	15,000
Security operations	252,000	-
Routine maintenance - vehicles and other transport equipment	417,389	8,000
Routine maintenance- other assets	81,950	-
Total	7,043,539	5,549,885

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020- 2021	2019 – 2020
	Kshs	Kshs
Transfers to Primary Schools (See Attached List)	23,380,000	30,410,000
Transfers to Secondary Schools (See Attached List)	59,276,000	37,854,204
Transfers to Tertiary Institutions (See Attached List)	3,700,000	-
Total	86,356,000	68,264,204

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2020- 2021	2019 – 2020
	Kshs	Kshs
Bursary - Secondary Schools (See Attached List)	20,016,000	9,608,300
Bursary - Tertiary Institutions (See Attached List)	18,301,830	1,576,500
Bursary - Special Schools (See Attached List)	220,000	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	4,536,000	-
Security Projects (See Attached List)	9,940,000	12,450,000
Sports Projects (See Attached List)	2,500,000	2,000,000
Environment Projects (See Attached List)	1,400,000	1,000,000
Emergency Projects (See Attached List)	3,970,000	3,463,125
Total	60,883,830	50,097,925

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and other Transport Equipment	-	-
Overhaul of Vehicles and other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	534,100
Purchase of ICT Equipment, Software and other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	534,100

9. OTHER PAYMENTS

Description	2020- 2021	2019 - 2020
	Kshs	Kshs
Strategic Plan	-	25,000
ICT Hubs	-	487,199
Total	-	512,199

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & Currency	2020-2021	2019-2020
	Kshs	Kshs
	(30/6/2021)	(30/6/2020)
Kenya Commercial Bank, Oyugis Branch A/C No. 1146215614	9,829,500	5,430,957
Total	9,829,500	5,430,957

10B: CASH IN HAND

	2020-2021	2019-2020
	Kshs	Kshs
Location 1	-	-
Other Locations (specify)	-	-
Total	-	-

11. OUTSTANDING IMPRESTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. RETENTION AND GRATUITY

12A. RETENTION

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

12B. GRATUITY

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

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank Accounts	5,430,957	9,671,453
Cash in Hand	-	-
Imprest	-	-
Total	5,430,957	9,671,453

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

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

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

15. CHANGES IN ACCOUNTS RECEIVABLE - OUTSTADING IMPREST

	2020-2021	2019-2020
Description of the Error	Kshs	Kshs
Outstanding Imprest as at 1st July 2020 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE - DEPOSITS AND RETENTIONS

	2020-2021	2019-2020
Description of the Error	Kshs	Kshs
Deposit and Retentions as at 1st July 2020 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
Closing account receivables D= A+B-C	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

Description	2020-2021	2019-2020
	Kshs	Kshs
Construction of Buildings	-	-
Construction of Civil Works	-	-
Supply of Goods	-	-
Supply of Services	-	-
Total	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

Description	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Staff Salaries	-	-
Total	-	-

17.3: UNUTILIZED FUND (See Annex 3)

Description	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,479,148	1,078,034
Use of goods and services	10,317,831	8,118,891
Amounts due to other Government entities (see attached list in annex 3)	15,950,000	31,856,000
Amounts due to other grants and other transfers entities (see attached list in annex 3)	26,055,004	33,429,855
Acquisition of assets	316,396	315,900
Others (see attached list in annex 3)	800,000	-
Funds pending approval		
Total	54,918,379	74,798,680

17.4: PMC ACCOUNT BALANCES (See Annex 5)

Description	2020-2021	2019-2020
	Kshs	Kshs
PMC Account Balances (see attached list)	59,002,211	11,184,421
Total	59,002,211	11,184,421

*Kaspul Constituency
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

*Kasipul Constituency
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

**Kasipul Constituency
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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of Employees	Payments of all benefits accruing to the NG-CDFC Staff	1,379,148	-	Cash book closing balance
Compensation of Employees	Payments of all benefits accruing to the NG-CDFC Staff	100,000	-	Funds not disbursed by the NG-CDF Board
Use of Goods & Services	Payment of committee sitting allowances and other allowances to NG-CDFC members, M & E, capacity building and office utilities	2,270,395	-	Cash book closing balance
Use of Goods & Services	Payment of committee sitting allowances and other allowances to NG-CDFC members, M & E, capacity building and office utilities	8,047,436	-	Funds not disbursed by the NG-CDF Board
Sub-Total		11,796,979		
Amounts due to other Government entities				
Ondiko Primary School	Construction of 1 classroom to completion	750,000	-	Funds not disbursed by the NG-CDF Board
St. Charles Kauko Primary School	Completion of administration block comprising of 2 offices and a staff room: Plastering, fittings, glazing, painting & electrical installation	650,000	-	Funds not disbursed by the NG-CDF Board
Nyaingu Primary School	Construction of 1 classroom to completion	750,000	-	Funds not disbursed by the NG-CDF Board
Mang'ang'a Primary School	Drilling and equipping of water borehole to completion	3,700,000	-	Funds not disbursed by the NG-CDF Board
Kalanding Mixed Secondary school	Drilling and Equipping of Water Borehole to completion	3,700,000	-	Funds not disbursed by the NG-CDF Board
St. Peter's Kotieno Mixed Secondary School	Completion of 80 students capacity dormitory: Roofing, plastering, fittings, glazing and painting	600,000	-	Funds not disbursed by the NG-CDF Board
Yala Kotieno Mixed Secondary school	Construction of 40 students capacity dormitory to completion	1,500,000	-	Funds not disbursed by the NG-CDF Board

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Eng. Peter Owidi Nyahera Girls Secondary School	Completion of 50 students capacity laboratory: Roofing, plastering, fittings , gas piping, water system & electrical installation, glazing and painting	750,000	-	Funds not disbursed by the NG-CDF Board
Obisa Mixed Secondary School	Construction of 40 students capacity laboratory to roof level	1,000,000	-	Funds not disbursed by the NG-CDF Board
Kalando Mixed Secondary school	Completion of 30 students capacity dormitory: Roofing, plastering, fittings , glazing and painting	500,000	-	Funds not disbursed by the NG-CDF Board
Rachuonyo South Sub County Director of Education Office	Renovation of Sub County Director of education office: Rear wall plastering, painting and ceiling board installation to completion	500,000	-	Funds not disbursed by the NG-CDF Board
Rachuonyo KMTC	Purchase of 20 desktop computers and the accessories	1,550,000	-	
Sub-Total		15,950,000		
Amounts due to other grants and other transfers				
Emergency Reserve	Emergency reserve for urgent and unforeseen need for expenditure	3,387,664	-	Cash book closing balance
Emergency Reserve	Emergency reserve for urgent and unforeseen need for expenditure	8,047,079	-	Funds not disbursed by the NG-CDF Board
Bursary - Secondary Schools	Fees payments for needy students in secondary schools	33,766	-	Cash book closing balance
Bursary - Secondary Schools	Fees payments for needy students in secondary schools	3,900,000	-	Funds not disbursed by the NG-CDF Board
Bursary - Tertiary Institutions	Fees payments for needy students in tertiary institutions	333,131	-	Cash book closing balance
Bursary - Tertiary Institutions	Fees payments for needy students in tertiary institutions	5,803,364	-	Funds not disbursed by the NG-CDF Board
Bursary - Special schools	Fees payments for needy students in special schools	400,000	-	Cash book closing balance

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Bursary - Special schools	Fees payments for needy students in special schools	400,000	-	Funds not disbursed by the NG-CDF Board
Kodera North Chiefs Office	Construction of 200 persons capacity chief's office hall to completion	3,000,000	-	Funds not disbursed by the NG-CDF Board
Kowidi Chiefs Office	Construction of 30 persons capacity chief's office hall annex to completion	750,000	-	Funds not disbursed by the NG-CDF Board
Sub-Total		26,055,004		
Acquisition of assets	Purchase of 2 printers and 2 laptops	316,396	-	Cash book closing balance
Others (specify)		316,396		
Kasipul NG-CDF Office	Gate installation & sentry box construction 300,000, land scaping 67M×37M 150,000, and generator installation 350,000	800,000	-	Funds not disbursed by the NG-CDF Board
Sub-Total		800,000		
Funds Pending Approval				
Grand Total		54,918,379		

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset Class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and Structures	5,762,239	-	-	5,762,239
Transport Equipment	13,057,402	-	-	13,057,402
Office equipment, Furniture and Fittings	1,743,271	-	-	1,743,271
ICT Equipment, Software and other ICT Assets	1,126,634	-	-	1,126,634
Other Machinery and Equipment	20,880,000	-	-	20,880,000
Heritage and Cultural Assets	-	-	-	-
Intangible Assets	-	-	-	-
Total	42,569,546	-	-	42,569,546

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

PMC	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
Agoro Sare Primary School	KCB-Oyugis	1173477268	383,950	19,209
Awuoro Primary School	KCB-Oyugis	1120089395	405,442	53,505
Buoye Primary School	KCB-Oyugis	1135622477	561,045	11,145
Kaluoch Primary School	KCB-Oyugis	1131198972	685,310	725
Katanga Primary School	KCB-Oyugis	1135336504	800,845	1,910
Kisuri Primary School	KCB-Oyugis	1153547376	652,230	3,295
Kogwang Primary School	KCB-Oyugis	1137157348	204,184	354
Masanga Primary School	KCB-Oyugis	1237037115	179,680	10,750
Mititi Primary School	KCB-Oyugis	1135280339	235,847	36,912
Nyangiela Primary School	KCB-Oyugis	1167268962	1,282,869	3,934
Opondo Primary School	KCB-Oyugis	1130812693	650,000	755
Otula Primary School	KCB-Oyugis	1121407226	752,714	3,779
Oyugis Primary School	KCB-Oyugis	1168304997	550,311	511
Rongo Primary School	KCB-Oyugis	1226463290	108,120	1,055
Waradho Primary School	KCB-Oyugis	1273978943	754,870	5,935
Yadh Welo Primary School	KCB-Oyugis	1134491964	188,620	4,126
Agoro Sare Mixed Secondary School	KCB-Oyugis	1145029345	7,187,641	8,706
Aolo Girls Secondary School	KCB-Oyugis	1133905706	921,801	122,866
Dol Mixed Secondary School	KCB-Oyugis	1236544617	1,505,545	1,745
Kachieng Mixed Secondary School	KCB-Oyugis	1114027375	8,418,869	39,934
Kalanding Mixed Secondary School	KCB-Oyugis	1136546421	355,325	833,372
Karabok Mixed Secondary School	KCB-Oyugis	1136802169	150,000	20,790
Mawira Mixed Secondary School	KCB-Oyugis	1286477212	1,500,000	-
Nyabola Mixed Secondary School	KCB-Oyugis	1144294754	958,821	97,943
Nyagowa Lutheran Mixed Secondary School	KCB-Oyugis	1118810449	103,539	3,454
Nyalenda Mixed Secondary School	KCB-Oyugis	1120582067	7,164,883	1,703,028
Nyambare Mixed Secondary School	KCB-Oyugis	1130736989	1,062,035	144,500
Nyandiwa Mixed Secondary School	KCB-Oyugis	1264016522	7,180,930	1,995

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PMC	Bank	Account Number	Bank Balance 2020/21	Bank Balance 2019/20
Nyatindo Mixed Secondary School	KCB-Oyugis	1131248589	955,760	156,951
Saye Mixed Secondary School	KCB-Oyugis	1113779896	1,519,356	2,562
St. Peters Kotieno Mixed Secondary School	KCB-Oyugis	1114215775	156,801	18,840
Wire Mixed Secondary School	KCB-Oyugis	1156738873	1,509,005	10,070
Rachuonyo TTI	KCB-Oyugis	1285359771	3,700,000	-
Kachien South Assistant Chief's Office	KCB-Oyugis	1279302607	104,308	-
Kachien South Chief's Office	KCB-Oyugis	1225987466	1,538,505	568,270
Kachieng Assistant Chief's Office	KCB-Oyugis	1278891897	70,535	-
Kadel Assistant Chief's Office	KCB-Oyugis	1265226350	70,450	1,515
Kamiyawa Assistant Chief's Office	KCB-Oyugis	1280580887	109,270	-
Kanyango Assistant Chief's Office	KCB-Oyugis	1263959952	70,555	-
Karabach Assistant Chief's Office	KCB-Oyugis	1264158459	72,205	3,270
Kasimba Assistant Chief's Office	KCB-Oyugis	1266405909	140,135	1,200
Kawere East Assistant Chief's Office	KCB-Oyugis	1263940056	127,300	8,365
Kawere West Assistant Chief's Office	KCB-Oyugis	1280095733	72,036	-
Kokech Resource Centre	KCB-Oyugis	1184137226	50,145	1,210
Konuonga Chief's Office	KCB-Oyugis	1286956625	3,000,000	-
Kotieno Kochich Assistant Chief's Office	KCB-Oyugis	1265474540	70,320	3,012
Kotieno Konuonga Assistant Chief's Office	KCB-Oyugis	1265474540	71,947	3,012
Mititi Mixed Secondary School	KCB-Oyugis	1172876959	220,445	21,510
Nyalenda Chief's Office	KCB-Oyugis	1237777224	146,906	17,971
Obisa Assistant Chief's Office	KCB-Oyugis	1264855192	168,630	40,675
Oyugis AP Line	KCB-Oyugis	1184024316	101,363	1,363
Sino Kagola Assistant Chief's Office	KCB-Oyugis	1263958419	50,808	48,768
Total			59,002,211	4,044,797

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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 issue

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
<p>Kisii/Kasipul-NG-CDF/2019/2020 (3)</p>	<p>Cash Books Project Management Committee (PMC) Accounts Included in note 17.4 are bank balances for PMC accounts of Kshs 11,184,421 as at 30 June 2020. However, management did provide cash books and bank reconciliation statements in support of the bank balances. In the circumstances, the accuracy, validity and completeness of the project management committee accounts balance of Kshs. 11,184,421 as at 30 June 2020 could not be confirmed.</p>	<p>Kasipul NG-CDF has well established modus operandi with regard to projects implementation at the PMCs level, which starts from training before receipt of funds on the required project implementation practices and financial stewardship The NG-CDF Board introduced a schedule namely, cheque confirmation schedule that is signed by the Fund Account Manager that accompanies all the cheques for payments by the PMCs, the schedule is only issued by the office to the PMCs upon filing of all the required documents supporting the payments, hence no room for funds misappropriation. With regard to the maintenance of cashbooks and bank reconciliation statements to aid in reconciling PMC bank balances, the NG-CDFC shall build the capacities of the</p>	<p>Resolved</p>	

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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)
		Project Management Committees through training on the preparation of the aforementioned documents in order to be at par with the requirements of the Public Financial Management Act Regulation 2015		
	<p>Reallocation of Funds Without Authority from the Board Two schools received funding for renovations of classrooms while there was change of activities as per schedule attached without seeking approval from the CDF board. This is contrary to section 6(2) of the National Government Constituency Development Fund states that once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with approval of the NG CDF board. The project management committees should only implement approved projects</p> <p>Consequently, the fund management is in breach of the law.</p>	<p>The mentioned projects had been budgeted for renovation works. Upon receipt of the funds the classrooms slotted for renovations had been badly damaged by flood water from the prolonged rainy period, as such carrying out renovation works on condemned classrooms was not feasible, as such the activities were changed to construction of new classrooms to completion.</p> <p>Change of activity request had been sent to the NG-CDF Board for ratification so as to ensure that what is on record is in tandem with the actual works carried out at the respective project sites.</p>	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)
	<p>Budgetary Control and Performance Receipts Analysis The statement of comparative budget and actual amounts for the year under review reflects total budgeted receipts of Kshs. 202,107,052 and actual receipts of Kshs. 132,738,329 resulting to under receipts of Kshs. 69,367,724 or 34%.</p> <p>The Fund failed to actualize its budget by Kshs. 69,367,724 or 34% an indication that some of the programmes and activities that had been planned were not implemented. There is need therefore for the management of Fund to review its budget making process with a view to formulating a realistic budget that would be actualizes for service delivery to the stakeholders.</p>	<p>The late disbursements from NG-CDF Board overlapping into the subsequent financial year 2020/2021 contributed towards the underutilisation of the approved budget by Kshs. 74,798,680 which was the sum of the pending disbursements from the NG-CDF Board of Kshs. 69,367,724 plus the cash book balance as at 30th June, 2020 of Kshs. 5,430,956</p>	Resolved	

